



TRIPARTITE CONCLUSIONS

1942--1962

सत्यमेव जयते

Government of India
Ministry of Labour and Employment

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PREFACE

The twentieth anniversary of the Indian Labour Conference falls on 7 August 1962. This collection of conclusions is intended as a souvenir to mark this occasion.

These years, particularly the last fifteen, have been important for India's development. One aspect of the efforts made to meet the social and economic problems of the period is reflected in these conclusions adopted jointly by the representatives of Governments, employers and workers.

Since the beginning twenty years ago the field of tripartite consultation has continuously grown and tripartite conclusions have greatly influenced developments in labour policy and administration. In fact, all important labour measures adopted in recent years have had their basis in tripartite understanding.

This compilation covers the Indian Labour Conference, the Standing Labour Committee, the Industrial Committees and the Committee on Conventions. Tripartite consultation, however, is not limited to these bodies only. The material presented here is mostly in the nature of extracts from original documents except for some abridgements or editing changes here and there. A brief write-up has been given at places to provide the context. An index has also been added to facilitate reference.

It is hoped that readers interested in the subject will find the publication useful. Perhaps it will also strengthen faith in the system of tripartite consultation started twenty years ago on 7 August 1942.

NEW DELHI,
7 August 1962.

CHAPTER I
THE INDIAN LABOUR CONFERENCE
AND ITS PRECURSORS

FIRST SESSION

*Conference of Labour Ministers
(New Delhi, 22-23 January 1940)*

Chairman—SHRI RAMASWAMI MUDALIAR

Extracts from the Chairman's Speech

You are ... aware of the recommendation of the Royal Commission on Labour with reference to an Industrial Council. According to that recommendation, the three parties concerned, namely, Government, employers and labour, should come to an Industrial Council in order to co-ordinate labour conditions all over India.....

Though ... the Government of India have always had the highest regard and respect for the recommendations of the Royal Commission and in particular for the recommendation regarding the Industrial Council, yet I must say that the Government of India have held the view for some time that the establishment of an Industrial Council on the lines suggested by the Royal Commission is somewhat premature at this stage.....

...The Government of India have convened this Conference not merely of Provincial Administrations but also of States and we trust that this Conference will be a preliminary to other conferences of a similar nature held at periodic intervals and so may make it possible for the creation of the Industrial Council which was foreshadowed by the Royal Commission.

SECOND SESSION

*Conference of Labour Ministers
(New Delhi, 27-28 January 1941)*

Chairman—SHRI RAMASWAMI MUDALIAR

Extracts from the Chairman's Speech

.....Early this month I had the opportunity of meeting the representatives of the all-India labour delegation and the representatives of the employers' delegations separately and you will have, circulated to you, the results of the discussions that we had with each group of these delegations.

Last year I referred to the suggestion that was made that the time had come, when, following the recommendations of the Whitley Commission, a body might be suitably composed of representatives of employers and of trade union delegations and of Provincial and State Governments to which might be referred all questions relating to labour policy and future labour legislation. I said that in the opinion of the Government of India the time had not yet come when

such a body should be constituted and when representatives of employers and representatives of labour as well as of Provincial and State Governments should be asked to come and meet together on a common platform, at a common table, to discuss these questions. But you will realise that the effort which the Government of India has made to consult delegations of labour and of employers is certainly a halfway house to that goal which I trust may be reached sooner rather later.....

THIRD SESSION

Conference of Labour Ministers
(New Delhi, 30-31 January 1942)

Chairman—SHRI FIROZ KHAN NOON

Extracts from the Chairman's Speech

Although this is a meeting only of Government representatives from the Provinces, I have already taken an opportunity of consulting representatives of employers and workmen in Calcutta. I had to meet the representatives of the working classes in two different batches and I met the employers' representatives separately, because that was the practice followed so far..... It is for consideration whether for the future it will not be healthier for us to develop a practice of having joint meetings of employers, workmen and Government representatives. I recognise the wisdom of the Government of India keeping in close touch with all these authorities before the former formulate their legislative policies, but I do feel that there are many advantages in bringing all the interests concerned face to face with each other in tripartite conferences as has been the case in Geneva under the auspices of the League of Nations. It is only by sitting around one table that persons defending different ideologies and economic interests can resolve their differences in a most pleasant and convincing manner, and I propose to take up consideration of the question whether the next annual conference should be a joint one of all the interests mentioned above.....

FOURTH SESSION

TRIPARTITE LABOUR CONFERENCE

(New Delhi, 7 August 1942)

Chairman—DR. B. R. AMBEDKAR

Extracts from the Chairman's Speech

...There have been so far three Labour Conferences held in New Delhi under the auspices of the Labour Department of the Government of India.....

There are two special features which mark off this Conference from the previous ones. In the first place,..... the present Conference has permanency as a part of its plan..... More important than this,..... it is for the first time..... in the history of these Labour Conferences that the representatives of the employers and employees have been brought face to face within the ambit of a joint conference.....

....Our Conference will have three.... main aims and objects—

- (i) the promotion of uniformity in labour legislation;
- (ii) the laying down of a procedure for the settlement of industrial disputes; and
- (iii) the discussion of all matters of all-India importance as between employers and employees.

* * *

In defining the last item included in our aims and objects we have deliberately used wide language so as not to exclude from the deliberations of the Conference anything that is of importance to labour and capital.

We propose to constitute two bodies—

- (i) a Plenary Conference, and
- (ii) a Standing Advisory Committee.

The Plenary Conference will be composed of representatives of the Central Government, of Provinces, of States, of employers and of employees. In general, each Province or large State will be entitled to be represented, and those States not individually represented would be represented by a nominee of the Chamber of Princes. Representation would also be given to the main associations of employers and employees, and it would also be open to Government to nominate representatives of classes of employers or employees who, in their opinion, were not otherwise adequately represented. It would not, in the case of the Plenary Conference, be possible to ensure that the representation of employers and employees should be equal to that of Government representatives.

The constitution of the Standing Advisory Committee would be more rigid; and, as you will see from the text of the Resolution that will be placed before you, we propose to distribute the representation as follows:—

- one representative of the Government of India.
- six representatives of Provinces.
- three representatives of States,
- five representatives of Employers and
- five representatives of Employees.

with the Labour Member of the Central Government as Chairman.

In suggesting this constitution for the Standing Advisory Committee we have followed as closely as we can the principles underlying the constitution of the Governing Body of the International Labour Office which was set up under the auspices of the League of Nations. There are three principles which, to my mind, underlie that constitution. First, equality of representation between Government and non-Government representatives.... We have given effect to this principle by giving 10 seats to Government and 10 seats to Industry. The second principle is equality of representation as between employers and employees. This is provided by the Article whereby the 16 non-government seats are divided equally between employers and employees. We recognise this by distributing the 10 seats allotted to Industry equally between employers and employees.

The third principle is an assurance of representation to certain interests by reservation. . . We propose to adopt this principle by allowing one representative from the quota of each, employers and employees, to be nominated by the Labour Member of the Central Government. This will ensure some representation of interests other than those represented by the main employers' and employees' organisations.

CONCLUSIONS

4.1 *Constitution of the Indian Labour Conference*

This Conference of the representatives of the Central and Provincial Governments in British India and of the Indian States and the Chamber of Princes, and of representatives of workers and employers in British India, being convinced that a collaborative machinery composed the representatives of Governments, employers and workers in India should be established forthwith for the consideration of all questions relating to the conditions of labour;

Resolves that a Plenary Conference shall be constituted as follows:—

- (i) the Hon'ble the Labour Member of the Government of India—Chairman;
- (ii) three representatives of the Government of India including one representative to represent Minor Administrations;
- (iii) eleven representatives of Provinces;
- (iv) six representatives of the industrially important States;
- (v) two representatives of the Chamber of Princes to represent other States;
- (vi) eleven representatives of employees of whom four will be nominated by Government in agreement with the All-India Trade Union Congress, four will be nominated by Government in agreement with the Indian Federation of Labour and three will be nominated by Government as representatives of other employees' interests; and
- (vii) eleven representatives of employers of whom four will be nominated by Government in agreement with the Employers' Federation of India, four will be nominated by Government in agreement with the All-India Organisation of Industrial Employers and three will be nominated by Government to represent other classes of employers.

[That] the Conference shall meet at least once a year, the first meeting being held in Delhi and subsequent meetings held at such places as may be decided upon from time to time.

That the Plenary Conference shall advise the Government of India on any matter referred to it for advice taking into account suggestions made by Provincial Governments, States and the Chamber of Princes and the representative organisations of employers and workers recognised for the purpose of the Conference.

4.2. Constitution of the Standing Labour Committee

This Conference further resolves that a Standing Labour Committee shall be constituted composed as follows:—

- (i) The Hon'ble the Labour Member of the Government of India—Chairman;
- (ii) one representative of the Government of India;
- (iii) one representative each of the Governments of Bengal, Bombay and the United Provinces;
- (iv) (a) one representative to represent the provinces of Madras and the C.P. and Berar;
- (b) one representative to represent the Provinces of Assam, Bihar and Orissa;
- (c) one representative to represent the Provinces of the Punjab, Sind and N.W.F.P.;
- (v) three representatives of Indian States, including one representing the Chamber of Princes;
- (vi) five representatives of employers; and
- (vii) five representatives of employees.

That the Standing Labour Committee shall consider and examine such questions as may be referred to it by the Plenary Conference or by the Central Government taking also into account suggestions made by Provincial Governments, States, the Chamber of Princes and representative organisations of workers and employers.

That the Standing Labour Committee shall meet as often as it may be convened by the Central Government for the consideration of questions that may be before it.

That the Committee shall be competent—

- (i) to advise Government on any matter referred to it by Government provided that copies of any such advice shall be forwarded to all members of the Plenary Conference; and
- (ii) to report to the Plenary Conference upon any matter referred to it by that Conference.

4.3 Principles of Election to the Standing Labour Committee

Representatives of Governments—

- (i) Representatives of single provinces will be selected by the Governments of those provinces;
- (ii) Representatives of two or more Governments will be selected by agreement between those Governments—a system of selection by rotation might be adopted;
- (iii) Representatives of States to be selected by the Governments of the States; and
- (iv) Representative of the Chamber of Princes to be selected in the usual manner.

Representatives of Employers—

Four to be nominated by the Hon'ble the Labour Member in agreement with the two leading all-India associations of employers. One to be nominated by the Hon'ble the Labour Member.

Representatives of Employees—

Four to be nominated by the Hon'ble the Labour Member in agreement with the two main associations of employees. One to be nominated by the Hon'ble the Labour Member.

4.4 Labour Welfare and Labour Morale in War-time.

The subject was for general discussion. All delegates referred to the pressing problem of food supply. It was considered essential that adequate supply of food grains and other essential commodities at reasonable prices should be ensured to the workers. One of the principal difficulties in this respect was the question of transport and the Central Government was asked particularly to remove or lessen the difficulties in this respect by granting, if necessary, a very high 'priority' for the transport of foodstuffs. The employers' delegates narrated the steps regarding dearness allowances and the opening of grain shops which they had already taken. Suggestions were made from the workers' side for the opening of grain shops in larger numbers. Suggestions were also made for greater collaboration with workers' representatives in all respects.

CLARIFICATIONS

The Chairman made the following observations on the points raised during the discussions:—

- (i) The constitution was in no sense final and it was open to the delegates to make suggestions but he cautioned that the Constitution should be allowed to work for sometime before trying to alter it....
- (ii) As regards advisers to delegates and whether the proceedings of the Conference would be open to the Press, he thought that these matters might be covered by regulations which might be framed by the Conference and the Committee.
- (iii) As regards employers outside the two all-India bodies, he thought it necessary that the number should remain at three as proposed, to balance the number of three corresponding workers' delegates.
- (iv) On the suggestion that delegates should be drawn only from the most representative organisation, he considered it very difficult in the present circumstances to agree to such a provision. As regards nomination, he undertook that where nomination was for giving representation to an organisation this should be done in agreement with that organisation.
- (v) As regards the suggestion for 'alternate' or 'substitute' delegates, he thought there would be no difficulty about it provided that the names of the substitute delegates

were communicated prior to the Conference, as it was essential to have finality in the composition of the Conference.

- (vi) On the question of voting he did not press for any decision now and left it for the Conference itself to decide.
- (vii) As regards the term of appointment of delegates, he agreed, that the delegates should be appointed afresh to each Conference.
- (viii) As regards the suggestion that the Conference and the Committee should have some link he considered that the Conference should decide that, as far as possible, the Standing Committee members should also be members of the Conference. This was agreed to and it was suggested that the subject might be mentioned to the various interests and organisations when communicating with them.

FIFTH SESSION

TRIPARTITE LABOUR CONFERENCE
(New Delhi, 6-7 September 1943)

Chairman—DR. B. R. AMBEDKAR

Extracts from the Chairman's Speech

Thirteen months ago on 7 August, last year the representatives of the Provincial Governments, Indian States, employers and employees were invited by the Government of India to meet in Delhi, in a Tripartite Labour Conference. The motive for calling such a Conference was two-fold. For a long time the conviction had gained ground that the industrial problems and problems of labour welfare could not be solved unless the three parties—Government, employers and employees—developed a sense of responsibility towards one another, showed more respect for the views of one another and agreed to work in a spirit of give and take and that there was not much change of such a sense of mutual respect and responsibility growing up so long as one was engaged in talking to the other. A plan to bring them together and to let them talk to each other across the table was felt to be necessary for the realization of this purpose. Although the idea of such tripartite organization was there, it is doubtful, if it would have taken a concrete shape so quickly if the war had not made the maintenance of labour morale an urgent and immediate necessity.....

The Tripartite Labour Conference has its genesis in the exigencies of the war. But I am happy to say that it is to last beyond the war. It is going to be an institution which will have a permanent place in the economic structure of the country.

CONCLUSIONS

5.1. *Involuntary Unemployment Due to Shortage of Coal, Raw Materials, etc.*

The question before the Conference was whether in respect of involuntary unemployment caused by the present war situation any special provision should be made for the unemployed labour.

There was some discussion. The Central Government's tentative views were that relief was necessary and that it should be of a purely temporary nature. It should be payable for a period of about one month. The question of a permanent unemployment scheme was not being considered in this connection. The Central Government's view was that the whole cost of the proposed temporary benefits should fall on the employers who would recoup it by an addition to the cost.

5.2 Rules of Procedure

The Procedure Sub-Committee appointed by the Standing Labour Committee* (First Session, 30 November—1 December 1942), submitted its report to the Conference. On the recommendation of this Sub-Committee the Conference adopted the following Rules of Procedure:—

Advisers—(i) Each delegate representing more than one Province or State may be accompanied by one adviser each for such Province or State other than his own.

(ii) A delegate representing the Government of India may be accompanied by not more than three advisers.

(iii) Each delegation representing employers or workers may be accompanied by advisers not exceeding the number of delegates constituting the delegation.

(iv) Advisers may be permitted to speak by the Chairman if the delegate himself does not wish to speak. But if the delegate himself speaks, the Chair will ordinarily require special reasons before permitting an adviser to speak.

(v) Advisers may not vote.

Substitutes—A delegate may, by notice in writing addressed to the Chairman before the sitting of a meeting, appoint a substitute. The notice shall specify the sitting or sittings at which the substitute will act.

A substitute may take part in debates and vote under the same conditions as delegates.

Committees—The Committee/Conference may appoint committees to consider and report on any matter and may add to any committee which it appoints technical experts who shall be advisers without power to vote.

Sittings—The sittings of the meeting shall not be public nor shall the Press be admitted to them except when the meeting expressly decides to the contrary by a simple majority vote. There shall be at least three sittings of the Conference and the Standing Committee during the year, at least one of which shall be a meeting of the Conference.

*See Ch-II, para. 1.6.

At public sittings arrangements shall be made for the accommodation of the Press.

One secretary for each member and for each adviser representing a Province or State not represented by a delegate, may be allowed to enter the hall of the meeting.

Closure—The President [Chairman] may, on the move of a member or otherwise, put a motion for closure for discussion; the decision on such a motion shall be by a simple majority vote.

Voting—Every delegate shall be entitled to vote individually on all matters which are put for vote; the decision shall be by a majority of two-thirds of votes cast by the delegates present except when otherwise provided for.

Agenda—The agenda for a meeting will be settled by the Government of India who shall consider any suggestion as to the agenda that may be made by any Government, by any all-India organisation of employers or workers or by any member.

The agenda shall be transmitted to reach members, as far as may be possible, at least one month before the date of the meeting, provided that during the war the Government of India may place matters on the agenda with less than this notice.

Resolutions—On any matter specially placed before the meeting for a recommendation, any delegate may move a resolution which on being seconded and discussed shall be put to vote.

Interpretation—The Chairman of the meeting shall have power to decide on any question of interpretation of these rules.

5. *Labour Representation in Legislatures, Local Bodies and Statutory Committees*

No conclusions were adopted on this item

5.4 *Social Security: Minimum Wages*

This Tripartite Labour Conference recommends that with a view to provide adequate materials on which to plan a policy of social security for labour, the Central Government in co-operation with the Governments of Provinces of British India, Indian States and the Chamber of Princes, should immediately set up machinery to investigate questions of wages and earnings, employment and housing and social conditions generally, and that as soon as possible after receipt of the required statistics and other data the Central Government should appoint a mixed committee to formulate plans of social security.

5.5 *Principles for Fixing Dearness Allowance*

Discussion on the subject covered *inter alia* the following items:—

- (i) Is it necessary to have general uniform principles for fixing dearness allowance or bonus?

(ii) If the reply to (i) is in the affirmative:

- (a) What should be the general principles? Should the principles allow for different rates for different industries or for different regions? If so, what should be the governing factors and the demarcation of regions?
- (b) Should it be laid down that the degree of assistance given towards the increased cost of living should diminish as wages increase above subsistence level? If so, how?
- (iii) If and when such principles are laid down should they be so worked that not only are tendencies to give higher allowances checked but that such allowances as fall below the prescribed standard are raised?
- (iv) Should the allowance be automatically related to increases or decreases in the cost of living index? And should the scale of neutralisation diminish as prices rise above a certain level?
- (v) Should the allowances be fixed on a percentage of wages or income or at flat rates in slabs varying according to wage levels?
- (vi) If the allowances are at flat rates should there be only one flat rate or two flat rates or more?
- (vii) Should there be a limitation that no allowances or/and bonuses should place the person in a better position than he enjoyed in 1939 before the war?
- (viii) In view of the need to fight inflationary tendencies, should the cash element of allowances be fixed at a minimum and the bulk of the allowance be made available in kind, through supplies of essential articles at concessional rates?
- (ix) How should the general principles be implemented? Should there be legal compulsion or can voluntary experiment achieve the desired results? Should authorities be set up in different regions or for different industries to decide finally on all questions relating to dearness allowance and bonus, apart from the adjudication procedure already provided for?
- (x) How should the principles agreed to be extended to the States?
- (xi) (a) Are profit-sharing bonuses desirable, and if so, to what extent?
- (b) Should the grant of such bonuses affect the quantum of dearness allowance or be related to dearness allowance? If so, how?
- (c) To check inflation, it seems desirable that the payment of some proportion of profit-sharing bonus should be deferred until after the war. Are there objections to

this? If so, what are they? If not, what proportion of bonus should be deferred?

- (d) Whether a sub-committee should be appointed to formulate precise recommendations in the light of the discussions at the Conference?

The Central Government representative summed up the discussion as follows:—

(i) The consensus of opinion is clearly that it is desirable to have general uniform principles.

(ii) (a) The weight of opinion seems to be (1) that allowances should be fixed with reference to the cost of living and on a regional basis, and (2) that a separate rate should not be applied to separate industries.

(b) The general opinion seems to be that the degree of assistance should decrease as the wage rate increases.

(iii) There is some difference of opinion here. Labour representatives would prefer that there should be no reduction in the existing rates. The remaining delegates of the Conference on the other hand would answer this question in the affirmative, that is to say, the tendency to give higher allowances should be checked and allowances which fall below the prescribed standard should be raised.

(iv) Here again two opinions have been expressed: first, that allowances should not be automatically related to increases or decreases in the cost of living, but that there should be periodical revision, and secondly, that the allowances should fluctuate with the cost of living index.

(v) & (vi) There seems to be a practical unanimity of opinion that allowances should be fixed on the basis of flat rates in slabs, and that there should not be more than two flat rates.

(vii) Here there is a division of opinion. One section feels that no consideration should be taken of the pay and wages drawn by labour before the war in 1939, while the other considers that labour should not be allowed to draw anything in excess of what was drawn in 1939 allowing for certain exceptions.

(viii) Opinion here seems to be that as large a proportion as possible of the allowances should be made available in kind provided the necessary supplies are available.

(ix) The general opinion on this point seems to be that some form of compulsion will be necessary, but that before compulsion is applied, we should endeavour to persuade the parties to fall into line. If the need for compulsion does arise, Government should rely on Defence of India or other Rules rather than introduce fresh legislation.

(x) The question of having authorities in regions to decide the question of dearness allowance was raised by one or two sections but no general opinion seems to have been expressed on that point. As regards this item the representatives of the States have undertaken to give their full cooperation in the matter.

(xi) Finally, with regard to bonuses, the unanimous opinion is that the question of bonus should be treated separately from that

of dearness allowance and that primarily it is a question to be settled by employers in consultation with their employees. The grant of bonus has been mentioned as being desirable, subject to the extent to which the Finance authorities will grant concessions in the matter of tax and employers are able to pay.

No strong feelings have been expressed in any quarter with regard to the deferment of bonus but the labour representatives prefer that bonus should not be deferred.

The question of a committee to go into the whole question of framing proposals for a uniform and equitable policy of dearness allowance has been suggested in several quarters. The Hon'ble Member..... is prepared to appoint a committee and to direct that it shall submit its report to the next meeting of the Standing Labour Committee*.

There is one other point which has been raised in this connection and that is uniformity of dearness allowance for Government employees. The Central Government are alive to the desirability of having uniform rates, and if the occasion arises Government will do their best to bring the existing allowances more closely in line. The present policy of the Central Government is to grant as much dearness allowance as possible in the form of essential articles at concessional rates.

5.6 *Provision for Standing Orders on the Lines of Provisions in Chapter V of the Bombay Industrial Disputes Act in Large Industrial Concerns*

The Central Government representative summed up the discussion as follows:—

The general opinion seems to be that standing orders should be introduced in industrial concerns employing 250 or more persons as soon as possible. Some delegates would prefer the limit of 250 to be lowered. It is also the general opinion that the standing orders should have statutory force, though how that statutory force is to be given has yet to be decided. Employers have asked that there should be a statutory authority to decide cases of disagreement with the Labour Commissioner and the representatives of labour have asked that there should be a statutory authority to deal with disputes arising out of the standing orders themselves. In both cases an industrial court has been suggested. Labour delegates have also suggested that the standing orders should cover, among other things, questions of security of service.

The Chairman added that if it was considered necessary, model orders might be drawn up and circulated by the Government of India.

5.7 *Statement by Provincial Governments Regarding the Setting Up of Tripartite Organisations in Provinces*

No conclusion was adopted on this item.

*See Ch. II, para 4.5. For the text of the Report see Appendix I.

5.8 Model Provident Fund Rules

It was agreed that the subject should be taken up by the Standing Labour Committee at its next meeting. In the meantime any suggestions on the draft rules might be sent to the Government of India*

SIXTH SESSION

TRIPARTITE LABOUR CONFERENCE
(New Delhi, 27-28 October 1944)

Chairman—DR. B. R. AMBEDKAR

Extracts from the Chairman's Speech

We have had two years' experience of the working of the Plenary Conference and the Standing Labour Committee. That experience cannot be called long. But short as it is, it has revealed some weaknesses in the organisation we have set up. The following appear to me rather serious:—

- (i) There is no clear cut division of functions between the Conference and the Standing Labour Committee. It is not that one is a deliberative body and the other is an executive body. Both are deliberative.
- (ii) There is overlapping in the work they do. The subjects discussed by both are of the same nature.
- (iii) There being no clear-cut distinction between general questions and concrete problems, the discussions in the Conference as well as in the Committee become too general to be of much use, even concrete problems are treated as though they were general.
- (iv) There is no machinery to undertake the task of examining special problems and reporting upon them. It is an important function and there must be some machinery charged with such a function.
- (v) There is no machinery to study and advise on problems of labour welfare, industry by industry.

Separate Secretariat: A second weakness in the organisation has also been pointed out by some members of the Conference. It relates to the non-existence of a separate secretariat for the Labour Conference. It is suggested that there should be a separate secretariat to take over the following functions, namely:—

- (a) Preparation for meetings (i.e. circulation of papers, informing members of the dates fixed, agenda, etc.)
- (b) Preparation of records of the proceedings.
- (c) Propaganda by issue of leaflets and tours.
- (d) Financial administration, such as payment to staff and travelling allowance bills of non-Government members attending the Conference.
- (e) Research and collection of information to serve as a basis of discussion and recommendations.

*See Ch. II, para 4.3.

(f) Check-up of the action taken by Government.

There are two other matters which have given ground for complaint. One of these relates to the preparation of the agenda of the Labour Conference and the Standing Labour Committee. The existing procedure in the matter of the agenda is said to be defective in two respects. First, members of the Conference and the Committee are not entitled to have matters in which they are interested placed on the agenda at their will. The second defect is that the memoranda which accompany the agenda reach members so late that they have no time to study and be prepared to make their contribution to the discussion of the subject.

Representation: Another matter which has given rise to complaint relates to the representation of the different parties on the Conference and on the Standing Labour Committee. The employers have stated that it is objectionable on the part of Government to reserve three seats for employers to be nominated by Government. It is their contention that the Employers' Federation of India and the All-India Organisation of Industrial Employers are fully representative of the employer class in India and that, therefore, the provision for appointing more employers' representatives by nomination is unnecessary. The method of representation of labour is also said to suffer from one defect, namely, that among those who represent labour there are none who belong actually to the labouring classes.....

Of these weaknesses some have been examined by Government and decisions have been arrived at. There are some which have not been examined as yet. I will first refer to those about which Government have, after consideration, come to a decision. They include the question of separate secretariat, agenda and representation.

Analogy of the ILO: The demand for a separate secretariat for the Labour Conference is, I think, based on the analogy of the ILO. Government thinks that there is a fundamental difference between the ILO and our Tripartite Organisation. It lies in the fact that the ILO is an independent organisation created by the Peace Treaty of Versailles. Its Conventions and Recommendations place definite obligations on all State Members and failure to fulfil those obligations involves certain definite international liabilities. It is regulated by its own constitution and it is not subject to any outside authority. In addition to this, the ILO has its own finances and is not dependent upon any other State or Department for meeting its liabilities when it chooses to undertake any new function.

Our Tripartite Organisation is not independent in the same sense as the ILO is. It has no independent finances and it cannot have any. It is only an advisory body which is constituted to advise the Government of India on such matters as are referred to it for advice. It cannot take decisions. To allow it to do so would be to permit it to usurp the functions of the Legislature. Having regard to these differences, it is obvious that an independent secretariat for the Labour Conference will create friction between Government and the Conference.

It is true that the efficiency of the ILO is derived largely from its secretariat and its capacity to turn out good material. Nonetheless, Government of India feels that all the functions of the secretariat with the exception of "Research and Information" are such as can be discharged efficiently by the Labour Secretariat of the Government of India. As regards "Research and Information" the Labour Department have certain proposals under consideration for re-organizing its activities which would *inter alia* include the setting up of necessary machinery for research and collection of information on labour and allied questions. For these reasons Government of India do not at present favour the idea of a separate secretariat for the Tripartite Organisation.

Right to fix agenda: On the question of agenda Government has considered the matter. The decision of the Government is that it cannot surrender the right to fix the agenda of the Conference. The Conference is not a legislature. It is an advisory body and Government must determine what are the matters on which it needs advice. There is another reason why Government cannot surrender the right to frame the agenda for the Conference. It is not possible for Government to accept an obligation to place a subject on the agenda unless Government is in a position to furnish the Conference factual statements which would help and guide members in their deliberations and has had time to examine the matter sufficiently enough to be able to express its own view. It is not possible for Government to be ready with such statements without sufficient notice. But subject to its right to frame the agenda, Government is prepared to revise the procedure.

According to present procedure the Labour Department invites suggestions from Governments and employers' and workers' associations after the conclusion of a meeting from which items are selected for an agenda for the next meeting. There is no consultation between Government and the Conference or Committee before a decision is taken by Government in selecting items for the agenda. Under the revised procedure Government will be ready to receive suggestions for the agenda whenever Governments and employers' and workers' associations may desire to send them in. In case they fail, Government will invite suggestions from delegates at each meeting.

The other change which Government is prepared to make is that while the final decision will be that of the Government, all suggestions received for the framing of the agenda will be placed for discussion at each meeting. This will give Government the opportunity to consult the wishes of the members and the members will have the opportunity to express their preference. I am sure you will agree that this is a great improvement on the present position.

Composition of the Conference: On the question of the composition of the Conference I admit that there is much force in the suggestions which have been made. If the two employers' organisations are fully representative, as they claim to be, obviously there is no justification for nominating employers. In the same

way, it is necessary to see that the working classes should have not only their problems of employment and welfare considered but that they should be trained to do their things for themselves. This can be done by allowing working men and working women to participate in all Labour Conferences. You must have been aware of the fact that recently when the Coalmines Welfare Committee was organised Government took the step of appointing one working man and one working woman in the coalmines to represent the working classes on the Committee.

Government is, therefore, not averse to making appropriate changes in the composition of the Conference. At the same time, Government feels that matters relating to changes in the composition of the Conference are not very urgent and we could well afford to postpone their consideration for a while. As I said in the course of the first Tripartite Conference, we must not keep on pulling out the plant every now and then to see whether it has taken any roots. This is a way to kill the plant.

Changes in the Constitution: I will now turn to the weaknesses in the Constitution of the Conference...Government would welcome any suggestions that you may like to make. May I place before you my views on the matter? I would suggest the following changes in the constitution:—

1. To divide the subjects which come within the scope of the Conference into two lists. List I will contain all general subjects such as (i) terms and conditions of employment; (ii) labour legislation; and (iii) questions relating to social security. List II will include all concrete questions (i) relating to labour welfare; and (ii) relating to the administration of labour laws. Subjects in List I will be assigned to the Plenary Conference, which I would propose should be called by the simple name Labour Conference dropping the words 'Plenary and Tripartite' which has made the name too mouthful.
- 2 To create a new body to be called Labour Welfare Committee and assign to it subjects falling in List II.
3. The composition of the Labour Welfare Committee will be as follows:—
 - (i) members elected by the Standing Labour Committee;
 - (ii) one representative of the Employers and one representative of the employees drawn from organised industries and municipal and other bodies employing labour;
 - (iii) persons nominated by Government from non-officials;
 - (iv) persons representing Indian States; and
 - (v) representatives of Provincial Governments.
4. There will be no change in the Standing Labour Committee so far as its composition is concerned. Only there will be a change in its functions. It will not be

a deliberative body. It will be the agent of the Conference and will perform such of the duties assigned to it by the Conference from time to time.

Under this arrangement there will be three organs:—

- (i) the Conference;
- (ii) the Standing Committee; and
- (iii) the Welfare Committee.

Functions and Powers of the Conference: The functions and powers of the Conference will be as follows:—

1. To make recommendations to Government on matters relating to terms and conditions of employment and all questions of social security which might be placed on the agenda.
2. To refer any such matter or any part of such matter to the Standing Labour Committee with a direction—
 - (a) to make a report back to the Conference, or
 - (b) to make a recommendation to the Government.
3. To appoint an *ad hoc* committee to consider any matter on the agenda with a direction to report—
 - (a) to the Conference;
 - (b) to the Standing Labour Committee with a view to—
 - (i) making recommendation to Government; and
 - (ii) making a further report to the Conference.

The functions and powers of the Standing Labour Committee will be such as may be conferred upon it by the Conference. It will be an agency of the Conference and will derive its authority from the Conference and will with the exception mentioned below conduct no business other than that which has been delegated to it by the Conference. It will, however, be open to Government to refer a matter on which it wants an early opinion direct to the Standing Labour Committee for report either to the Conference or the Government. But ordinarily any report or recommendation of the Standing Labour Committee should be made to the Conference.

Powers of the Standing Labour Committee: The powers of the Standing Labour Committee will be:—

- (i) to make recommendations or reports to the Conference on matters referred to it by the Conference;
- (ii) to make recommendations to Government in a case in which the Conference has directed the Standing Labour Committee to report to Government; and
- (iii) to appoint *ad hoc* Committees to consider any matter on the Agenda with directions to report to the Standing Labour Committee.

The functions of the Labour Welfare Committee will be confined to matters relating to labour welfare and administration of

labour legislation. Its powers will be to consider all such matters placed before it and to make recommendations to Government.

These are my proposals for removing the organisational weaknesses that have been discovered. They are put before you in my personal capacity as a member of this Conference. No greater weight attaches to them though the approach, if I may say so, seems to me to be sound. I propose to have these proposals examined departmentally in the Government of India. If they are found to be workable the conclusions of Government will be placed before you for your deliberation.

CONCLUSIONS

6.1 *Compulsory Insurance of Liability under the Workmen's Compensation Act, 1923*

The Central Government representative summed up the discussion as follows:—

There is no common measure of agreement. A good number of difficulties have been pointed out. An additional one is that, if there is really a bad risk, no private insurer may accept it. The question of controlling the premium may also become a difficult matter. The matter is worth a thorough investigation and the Government of India should be asked to undertake it in consultation with the Provinces, associations of employers and employees and the insurance companies. The question whether State insurance would cover every worker should also be considered by the further inquiry proposed.

6.2 *Revision of the Trade Disputes Act, 1929*

The Central Government representative summed up the discussion as follows:—

The discussion has shown that there is a measure of agreement that some amendments are required. The Government of India should be asked to frame preliminary proposals and circulate them to all-India representative organisations of employers and labour and to Provinces and States. Subsequent action can be considered on the receipt of their replies.

6.3 *Organisation of Employment in the Transition for War to Peace*

In summing up the discussion the Central Government representative observed as follows:—

The question of employment exchanges has now come to the fore and will demand the active and urgent attention of all. This is a very big problem and it is impossible to conceive of any satisfactory solution unless it is jointly tackled by the Government of India, Provinces, employers and workers. Experience in other countries has shown that the exchanges where they have failed have failed for want of co-operation and co-ordination. India should benefit by that experience. It should be clearly understood that these

exchanges do not solve unemployment but do regularise employment and can make a big contribution towards the smooth working of labour and capital. The exchanges should go a long way to abolish haphazard employment and supplant the unsatisfactory system of contract labour. Through an oversight, labour was not represented on the Advisory Committee for Technical Training and the error will quickly be rectified. Labour will take, it is hoped, an active part in the working of the Committee. They will no doubt nominate persons who are aware of technical aspects of training and will help to arrive at sound decisions. Employment exchanges in provinces should have committees attached to them on which labour is equally represented with employers. There should be greater interest and more enthusiasm on the part of all concerned. It should be possible for the Centre to give a lead to Provinces. The suggestion for an *ad hoc* committee is welcome.

Another big issue is the displacement of workers by returned servicemen; this can be watched through a system of employment exchanges.

6.4 *Participation of State in Sickness Insurance Scheme for Industrial Labour in India*

The Central Government representative summed up the discussion as follows:—

Central Government is glad to hear the general appreciation of Prof. Adarkar's report which did credit not only to the author but also to India as a whole. Prof. Adarkar has dealt with the matter fully and thrown new light on the points. The Governments are bound to consider his suggestions most carefully. The Government of India and Provincial Governments will take up the question of sickness insurance and other labour legislation along with the general industrial policy of the country, and not in isolation. The medical matter is dealt with under two headings, medical assistance and medical insurance. There is a nation-wide organisation for medical assistance and agricultural population may have to be dealt with by this method through rural dispensaries rather than by insurance. The collection from agricultural labour of any portion of the premium will cause great difficulty. There is no intention to divide industrial and agricultural labour. The Philadelphia recommendation is being followed in covering industrial workers in the first instance, in order to go ahead as far as practicable and as quickly as possible.

6.5 *Statutory Machinery for Fixation of Minimum Wages*

The Central Government representative observed as follows:—

There is a difference between Wage Boards and Industrial Courts and, while sitting High Court Judges may be available for the latter, they are unlikely to be available for Wage Boards which, like Trade Boards, would sit for long periods. It is not considered that a decision to have Wage Boards would be called as in any way anticipating social security plans which are of a long term nature. Wage Boards for smaller industries is not a matter which need be considered in detail by an all-India enquiry. The Boards will have to go further than merely fixing subsistence wage or minimum

wage rates, as desired by some critics, as such a rate must be related to normal working week and over-time and to piece and time systems of work. It is not the intention that they should fix hours of work. He accepted the suggestion that the Boards should not consider the general conditions of employment.

6.6 Resolution proposed by the AITUC on the Procedure for Amendment of the Defence of India Rules Affecting Labour

The following resolution was moved on behalf of the All-India Trade Union Congress:—

Resolved that the Government of India should consult the Tripartite Organisation before issuing rules under the Defence of India Act affecting labour interests. Where such previous consultation is not possible on account of the urgency of action, the rules issued and the action taken should be placed before the Tripartite Organisation at its next meeting for consideration.

The Central Government representative observed as follows:—

The resolution went beyond the scope of the Conference. If any member desired a discussion on any matter concerning the working of the Defence of India Rules, it would be carefully considered by Government, but there was no reason why the time of the Conference, which usually had a long agenda, should be taken up in advance discussion of every rule affecting labour particularly as the Conference might not be a suitable place for such discussions in all cases. Government would be prepared to consider any proposals by any member of the Conference regarding any Defence of India Rules. Government already undertook a good deal of consultation with the result that the labour side often complained of slow progress.

6.7 Special Rations for Workers Doing Heavy Work

The Central Government representative observed as follows:—

The Government of India recently decided to permit supplies to industrial canteens "off the ration" even in cases where heavy manual workers are entitled to a supplementary ration. . . There are difficulties in the way of getting rice and the right type of rice but, if one is keen, the best use can be made of whatever rice is available and various vitamins can be added to it. Certain information on the subject will shortly be issued jointly by Food Department and this Department and it is hoped that support will be forthcoming in getting and running industrial canteens on right lines. There are all sorts of difficulties at present and it is not possible to issue an order providing for canteens, as has been done in the U.K. until the opening of the canteens is shown to be successful. The Gorakhpur experiment has shown that the difficulties can be got over. Each man recruited from the area used to do his own cooking but, partly by their own effort and partly by encouragement given by the Government of India, they have got down to communal feeding. Similar experiments are being tried elsewhere. If the food offered by canteens becomes monotonous, it is their own fault. Properly run canteens should attract labour more than the ordinary shops in the bazar.

SEVENTH SESSION

INDIAN LABOUR CONFERENCE

(New Delhi, 27-28 November 1945)

Chairman—DR. B. R. AMBEDKAR

Extracts from the Chairman's Speech

You remember, the Conference last year appointed* a Committee to consider some of the proposals I had made for changing the Constitution of the Conference. You might like to know what action Government propose to take on the report of the Committee. As recommended by the Committee, Government do not, at present, propose to make any changes in the Constitution of the Conference. Government think it enough not to do anything more than to change the name of the Organization as recommended by the Committee. The Conference is meeting under different names, such as Ministers' Conference, Tripartite Conference and Plenary Conference. I am glad that the Committee decided to call it the 'Labour Conference'. Notwithstanding what Shakespeare has said there is much in a name. The name 'Labour Conference' may not have a sweet smell. But it certainly has the merit of being simple and less loud than the name 'Tripartite' or 'Plenary'. The only comment I have to make is that the name as proposed by the Committee lacks colouring, a defect which could be easily removed if instead of calling it 'Labour Conference', we decided to call it the 'Indian Labour Conference'. I take it that you are in agreement with me on this point.

CONCLUSIONS

7.1 Involuntary Unemployment Resulting from Controls

The Central Government representative stated that there was no Act or Bill framed on the point and the matter was really for further discussion. Legislation was really out of question as that would involve considerable delay.....

The general view during the discussions appeared to be that something ought to be done to mitigate the hardship caused to workers by involuntary suspension of work, and also that the employers felt that the responsibility for action devolved on the authority responsible for such hardship. The point to be considered was whether the Conference would accept any obligation on the part of employers. If the circumstances leading to a stoppage were likely to be very rare, there ought to be no reluctance to undertake that obligation. So far as the moral obligation was concerned, the provision regarding a waiting period of seven days for six months should be accepted in order to eliminate the chances of periodical stoppages intended to take advantage of the waiting period.

* The reference is to the Sub-Committee on the Constitution of the Tripartite Organisation set up on the recommendation of the sixth session of the Standing Labour Committee. For the Report of this Committee see Appendix II.

7.2 Unemployment in the Transition Period

A memorandum outlining a scheme for the establishment of a Directorate General of Resettlement and Employment was placed before the Conference. The intention was to give the conference information as to what the Government proposed to do..... (and).....to have any suggestion either by way of modification or addition to the scheme. Both employers' and workers' organisations were asked to extend their co-operation in running the Exchanges as efficiently as possible.

The Central Government representative expressed his gratitude for the way the proposals had been accepted by the Conference.

7.3 Reduction of Working Hours under the Factories Act

The Central Government representative summed up the discussion as follows:—

It appeared from the discussion that the Conference reached a very fine measure of agreement. Employers agreed in principle to a 48-hour week and workers agreed to the principle of 'good work' and no loitering during the period of 48 hours. Still there were one or two difficulties in the way. Employers raised the question of the textile industry and said that if the hours were reduced from 54 to 48, there would be a fall in output,.....India could not, of course, face any decrease in production as supply of cloth was already short. Anyhow, it was hoped that the employers did not really think that there would actually be any fall, while the workers assumed that reduction in hours of work was not going to result in reduction in the output of cloth. Whom to trust? But it should be remembered in this connection that the change would not come up for sometime as that must first get the assent of the Legislature. And then the measure would come into force from such date as declared by the Central Government. Power has also been left to Provincial Governments for exemption. In the light of the above facts and in view of the measure of agreement referred to, there seemed to be no reason why the Government should not go ahead with the legislation. It was hoped that by that time things would be somewhat better.

7.4 Minimum Wage Legislation

The Central Government representative observed that they had a most interesting discussion. He thought that as a result of that discussion all that they could say was that the Government of India would very closely consider the various points that had been raised there and any modifications that they might think necessary to introduce in the Draft Bill and in their proposals which they had under consideration. He did not think they could say more at that stage.

7.5 Attitude of Employment Exchanges During Strikes and Lock-outs

The Conference came to an agreement on the following principles:—

The Employment Exchanges shall not give their services in the following cases—

- (i) for the placing of persons on strike if they have declared a strike after refusal to submit the dispute to a public authority or to a conciliation Committee appointed or proposed.....; or to accept the settlement of the dispute proposed by the public authority of Conciliation Committee thus appointed; and
- (ii) for the purpose of finding employees for an employer who has refused to submit a dispute for inquiry as prescribed above, or has refused to accept the decisions with respect to the dispute by a public authority or a Conciliation Committee as provided above, or has declared a lockout without previously having recourse to the said authority or board or after refusal to comply with their decision.

7.6 Industrial Canteens

The proposal for making statutory provision for canteens was welcomed by the workers' representatives. Employers were not against the institution of canteens. But there were only two conditions: firstly, a certain percentage of workers must be prepared to take advantage of canteens and secondly, factories which had no room should be exempted.

The Central Government representative assured that nothing would be imposed on factories which it was not possible for them to do. All such matters would be regulated by rules.

7.7 Proposed Amendment of the Workmen's Compensation Act, 1923

The Conference endorsed a Draft Bill to amend the Workmen's Compensation Act, 1923, to widen its scope by raising the prescribed maximum monthly wage level from Rs. 300 to Rs. 400 for covered workers and to provide for consequential changes in the rates of compensation.

7.8 Proposed Legislation for Compelling Employers to Frame Rules Regulating Service Rights of Employees in Industrial Concerns

The Conference discussed the Draft Employment (Standing Orders) Bill and made a number of suggestions which were noted.

7.9 Proposed Amendment of the Trade Unions Act, 1926

The Conference considered a Draft Bill to amend the Indian Trade Unions Act, 1926, and it was agreed that there should be a small committee representing two members on the employers' side and two members on the workers' side. The Government would be prepared to call them at some short notice and place before them their final proposals with regard to this Bill as well as the Minimum Wages Bill.

EIGHTH SESSION

(New Delhi, 21-22 April 1947)

Chairman—SHRI JAGJIVAN RAM

Extracts from the Chairman's Speech

* * * *

We should normally have met some time at the beginning of the last cold weather, but due to one reason or another, we had to postpone the meeting. Although a formal session of the Labour Conference was not held, we did have a special meeting of the representatives of employers and workers to consider our Programme* of Action during the next five years.

x x x x

Since our last meeting, a wave of industrial unrest has been sweeping through the country. This is not an isolated Indian phenomenon, but a part of the general industrial unrest that follows the end of every war. * * * I am not suggesting that the workers have no legitimate causes for dissatisfaction. They have been subjected to considerable strain during the war period which has now been accentuated by the continued scarcities of essential goods, an acute shortage of housing and fear of unemployment resulting from the contraction of war-time activity. They are entitled to reasonable conditions of work and reasonable wages. I have said on many an occasion that no industry has a right to exist if it cannot provide decent living standards for the workers. At the same time I cannot emphasise too strongly the need for increased production. Our watchword should be improved working and living conditions for workers and increased productivity.

x x x x

We have also placed before you a Note** on the constitution of the Indian Labour Conference. We have given this matter considerable thought and I feel the proposals placed before you will, if accepted, improve the working of our tripartite machinery.

CONCLUSIONS

8.1 *Report of Action Taken on the Decisions of the Previous Meetings of the Labour Conference and the Standing Labour Committee*

The Chairman gave the assurance that every careful consideration was being given by Government to the conclusions arrived at by the Conference. It was not a fact that they were being ignored.

As regards specific points, he pointed out that prior to the enactment of the Industrial Disputes Act, every interest affected was consulted. As a matter of fact, Government gave up certain of their proposals in the Legislative Assembly just to meet the criticisms of the workers.

As regards housing, the Central Government had not withdrawn their offer of subsidy of 12½ per cent. The Provincial Governments, however, contended that this subsidy was inadequate, in view of the increased costs of construction. Labour Department were now experimenting with the construction of 50,000 houses in the coal-fields. This experiment would enable them to work out the actual cost of construction. Government were also looking into the question of allocation of supplies for industrial housing.

* See Appendix III.

** See Appendix IV.

The question of reduction of hours of ~~work on~~ railways was under adjudication and Labour Department would press for the implementation of the Adjudicator's recommendations in the matter.

The suggestion of the workers representatives regarding the representation of agricultural labourers on the Central Employment Advisory Committee had been taken note of.

Finally, the employment organisation was trying to collect all statistics of discharges and engagements so as to enable Government to have a good idea of the manpower position in the country. Unfortunately, the data supplied by private industrial concerns was incomplete. Government would, however, try to publish some detailed figures which will give some idea of discharges and placements.

8.2 *Brief Report on Labour Policy and Administration During the Previous Year*

The Chairman observed that the various points raised would be examined by Government, but he would like to refer to some of them.

At the time of setting up the Wages Enquiry Committee for the Collieries, there were no disturbances in the coalfields. Unfortunately, before the Committee could start functioning, a series of strikes developed and Government could not come to a decision regarding the terms of reference to the Committee. It was only in order to get the issue clarified that a Board of Conciliation had to be constituted. Labour was also represented on the Board.

As regards the Welfare Fund, the position was that out of the cess of eight annas, four annas would be utilised for general welfare work, eight pies for starting dispensaries and three annas, four pies for housing. The expenditure would be regulated by the advice of a tripartite committee and a report giving details of the expenditure would be published in the Gazette.

As for the maintenance of industrial peace, Government were constituting tripartite Industrial Committees through which, he hoped, all differences would be amicably settled. The Labour Department would look into the question of the application of regulations to State railways.

A committee would be set up early to study the problem of forced labour and suggest the best way of putting an end to the same.

As regards the training of Labour Officers in the U.K. his information was that facilities were always provided for those who wanted to study the working of trade unionism in that country.

Referring to hours of work in seasonal factories, the existing discrepancy would, he stated, be removed when the Factories Act was revised.

The Labour Department would get all Labour Bills translated into as many languages as possible.

8.3 Report on the Action Taken on the Reports of the Labour Investigation Committee

The Chairman observed that the Labour Department would like to have very wide powers to control the Provinces, but that was constitutionally not possible. The Centre could only persuade the Provincial Governments to adopt certain measures and that was the reason behind the holding of Labour Ministers' Conferences.

Secondly, the Reports of the Rege Committee were under the examination of the Labour Department and ways of removing the defects were being considered. When the Factories Act would be revised, many of the defects brought to light would be removed. The main proposals for revision had already been discussed by the Standing Labour Committee.* Legislation alone, however, would not completely mend matters, if the factory inspection staff was weak. The staff would have to be strengthened and the quality improved. For that purpose, a training course for the inspection services was under contemplation.

As for the appointment of a mixed committee, no decision had yet been taken on the point. A stage might come when it would be desirable to have such a committee but for the present they had enough of work on hand.

The reasons for the present decline in production had to be thoroughly investigated. He hoped that the works committees and the Industrial Committees that were being set up would enable employers and Government to examine the matter in a dispassionate spirit to find out the causes of the prevailing unrest and to suggest remedies.

8.4 Replies of the Government of India to the ILO Questionnaires on (i) Organisation of Labour Inspection in Industrial and Commercial Undertakings, (ii) Employment Service Organisation, and (iii) Draft Conventions on Social Policy in Non-Metropolitan Territories

The views expressed on the different items in the questionnaires and on the provisions in the proposed Conventions were noted.

The Chairman observed that if the Government of India expressed themselves against the adoption of a Convention or a Recommendation, it was not because they considered that what was intended to be provided for was wrong or undesirable, but because acceptance of such regulations would impose a definite liability on Government to incorporate the substance of the Convention into national legislation and to enforce the same. If, therefore, Government had doubts regarding their ability to enforce such national legislation, they had to express some hesitancy in accepting the Convention.

8.5 Industrial Employment (Standing Orders) Central Rules, 1946

The Chairman remarked that the various views expressed on the Model Standing Orders would be helpful in improving upon

*See Ch. II, para 9.2.

them. He assured the members that in future, as soon as a notification inviting opinion was issued, it would be sent to the various all-India organisations of workers and employers for their comments.

8.6 *Desirability of Collecting Information Relating to Wages and Conditions of Work in Distributive Trades and Services*

The Chairman observed that though the Provincial Governments had reacted somewhat unfavourably to the proposal, they should admit the desirability of collecting information relating to the conditions of work in distributive trades. He would, therefore, suggest that a beginning should be made by collecting information regarding wages, conditions of work, etc., in the establishments covered by the various Provincial Shop Assistants Acts.

8.7 *Attitude of Employment Exchanges During Strikes and Lock-outs*

The acting Chairman stated that the views which had been expressed would be put up to the Hon'ble Member for consideration. He added that he was personally in agreement with the view that the exchanges should observe neutrality.

8.8 *Bill for Regulating Employment of Dock Labour*

The acting Chairman observed that major ports were a Central subject and the Government of India could push ahead with legislation in respect of those ports. But casual labour employed in ship-building yards, inland waterways, etc. came within the Provincial field and hence nothing could be done in that sphere unless the Provincial Governments concurred.

8.9 *Constitution of the Indian Labour Conference and the Standing Labour Committee*

The acting Chairman explained that the intention of Government was not to lessen the scope or usefulness of the tripartite organisation. The proposals* before the Conference were in fact expected to increase its efficiency as well as utility. Government could not however agree to the suggestion that the Indian tripartite organisation should be on the lines of I.L.O. For, the latter consisted of representatives of different sovereign States and all that the I.L.O. could do was to adopt Recommendations and Conventions. The individual Members had the option either to accept them or not to accept them. But with the present constitutional set up of India, the tripartite body could only remain advisory and not legislative.

It was also not clear as to what authority could be assigned to a separate Directorate (Secretariat for Conference) that had been demanded. The Hon'ble Labour Member who was responsible to the Legislature could not delegate his powers of considering legislation to the tripartite body.

Government could also not agree to the suggestion that workers' representation on the tripartite body should be confined to only one

* See Appendix IV.

organisation. There might be four or five organisations of workers which were really more representative of the workers than one all-India organisation and it was only reasonable that all the organisations should be allowed to air their views. The intention was to obtain the views of all labourers and not only of those belonging to a particular organisation.

The various suggestions made by the members would, however, be placed before the Hon'ble Labour Member for his orders.

NINTH SESSION

(New Delhi, 19-21 April 1948)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

9.1 Report on Labour Policy and Administration

Referring to the contention that it was not right for the Legislature to make radical changes when a matter was considered in the Tripartite Conference or the Standing Labour Committee the Labour Secretary pointed out that the Tripartite Conference was an advisory body whose advice was communicated to the Government, but that the Legislature was a sovereign body and as such it would be difficult to prevent it from making the changes. He, however, agreed to bring prominently to the notice of the Legislature in future all points of agreements reached at Tripartite Conferences.

While admitting that there was lack of uniformity and co-ordination between the Centre, the Provinces and the States, he pointed out that it was not due to any lack of desire on the part of either the Centre or the Provinces to co-ordinate and cooperate but that it was due to the physical defects and to the delays in postal communication.

The defects in the Industrial Disputes Act were being examined and the question of the revision of the Act would be taken up in due course. He explained that the Ministry of Labour's Memorandum on the Factories Bill was placed before the Standing Labour Committee and the Conference and that all points raised were borne in mind while drafting the Bill. He assured the house that all views expressed by the All-India Trade Union Congress or by any other organisation would be placed before the Select Committee.

He pointed out that the training of Factory Inspectors was done in three ways—the first being a regular course for beginners to which a reference was made in the Report, the second, refresher course and lastly, memoranda on various points were being circulated to the Inspectors for their information. He, however, agreed that the number of Inspectors was small.

He pointed out that the difficulties in speeding up the housing of coal-miners were that apart from the difficulty in getting coal-free land, there was the difficulty of land acquisition in the Dhanbad area and in Asansol and there was also considerable opposition from

the rural population who did not wish to give up their land. He explained that steps were being taken to overcome these difficulties and hoped that the progress would be better. He gave an undertaking that in future up-to-date reports regarding the progress in regard to pithead baths and other welfare schemes would be published in the Indian Labour Gazette.

He assured that when any scheme regarding the unspent accumulation under the War Injuries Scheme would be drawn up it would be placed before the Standing Labour Committee or the Conference for being considered by them but pointed out that the Schedule was being held up because there was a dispute as to whether the money was entirely available or not and how much of that should be paid to Pakistan.

The various Industrial Committees set up, he said, had started functioning only recently and he hoped that some satisfactory method of co-ordinating the work of those committees either through the Standing Labour Committee only or by a Special Committee of the Labour Conference would be devised.

Pointing out that the delay in getting the Provincial reports on the working of the Acts was due mainly to delay in printing, he stated that he was trying to have details of all reports published in the *Indian Labour Gazette* as soon as they were known to Government. He further stated that attempts were being made to issue a series of pamphlets in Hindi and other suitable vernaculars and so far as the Central Government's undertakings were concerned, the Government were adopting the policy of appointing Labour Officers who were selected by the Ministry of Labour and not by the department responsible for running the administration.

9.2 *A survey of the Present Position in Regard to Works Committees*

No specific recommendation was adopted on the subject.

9.3 *Report on the Activities of the Directorate-General of Resettlement and Employment*

The Director-General of Resettlement and Employment expressed his gratitude to the members for their valuable suggestions and for the general feeling of the Conference that the organisation had done such valuable work and had such potentialities of doing further valuable work that it should be made permanent. He pointed out that although the training and apprenticeship of craftsmen for industry was a Provincial subject, the Government of India felt, as had been stressed by the Advisory Committee on Technical Training, that there should be some degree of Central co-ordination, guidance and inspection. It appeared that the Conference was of the same opinion. He pointed out that the Government of India wanted that the Provincial Governments and the industry should realise the need for having a Central Technical Institute for the training of Instructors. He concluded by assuring the House that the various points raised would be borne in mind and discussed at the meetings of the Central Employment Advisory Committee.

9.4 Action Taken on Previous Decisions of the Indian Labour Conference and the Standing Labour Committee

A number of suggestions were made by the members. The *Chairman* assured the house that the various suggestions made would be kept in mind.

9.5 Replies and Comments of the Government of India to the ILO Questionnaires and Reports

The Questionnaires related to the following subjects:—

- (i) Fair Wages clause in public contracts;
- (ii) protection of wages;
- (iii) freedom of association and protection of the right to organise;
- (iv) application of the principles of the Right to Organise and to Bargain Collectively;
- (v) collective agreements;
- (vi) conciliation and arbitration;
- (vii) co-operation between public authorities and employers' and workers' organisations;
- (viii) vocational guidance; and
- (ix) revision of the Conventions concerning Night Work of Women and Young Persons.

No specific conclusions were adopted on these subjects.

9.6 Implementation of the Industrial Statistics Act, 1942

No specific conclusion was adopted.

The *Chairman* pointed out that in the various departments of the Central Government there were Statistical Sections and attempts were being made to co-ordinate the activities of the various statistical sections. It might be possible to form a Central Statistical Section.

9.7 Compulsory Provident Fund for Industrial Workers

The *Chairman* pointed out that a compulsory Provident Fund Scheme had been started in the coalfields of Bihar, Bengal and Central Provinces where labour was mostly casual and that if the scheme was successful it would not be difficult to introduce it in other industries as well. That might take about six months. In the meantime, he would ask the Ministry of Labour to prepare a comprehensive scheme for other industrial workers and that he would expect the employers to persuade their other colleagues to reconcile themselves to the idea.

9.8 Decasualisation of Labour in Main Industries

No specific conclusion was adopted.

9.9 Implementation of the Resolution* on Industrial Truce Adopted at the Industries Conference held in December 1947

The Chairman felt happy that all the parties had accepted the Resolution. He made it clear that Government had never the idea, at the present stage, to limit profits or dividends because so long as Government were not going to eliminate private enterprise altogether there must be some incentive for private enterprise to invest their capital in industry. Although Government stood for nationalisation, due to certain limitations, the employers had been given a period of ten years. He, however, pointed out that a very vast field for private enterprise was left open and did not, therefore, quite see why the employers should complain that by giving a life of ten years, Government would make capital shy in coming into the industry. He pointed out that by profit-sharing Government did not mean limiting dividends or profits but if the employer was inefficient, he would have to be satisfied with whatever percentage of profits might be fixed. He assured the House that all points raised by the various parties would be examined by Government, but made it clear that the suggestion that the question of determination of fair wage and fair return on capital should be examined by three departments of the Government of India was unnecessary since all policy questions were discussed by all the departments first and then a decision was reached and as such that vital question would certainly be discussed by all the departments concerned. He was glad that the machinery proposed by Government was generally accepted and explained that when the Advisory Committee was thought of, Government thought of a Committee of expert industrialists and economists to examine the matter in detail. He promised immediate action in regard to setting up the necessary machinery and the collection of data. As regards housing, while refraining from going into causes for the delay, he pointed out that one of the main difficulties was that the cost was to be met by many parties, e.g. the Central and Provincial Governments, employers, local bodies and labourers. He said that the matter would be discussed at the Labour Ministers' Conference and thereafter it would be possible to announce what Government were going to do during the next twelve months. He appealed to all for co-operation and wished that workers instead of being represented by others were actually present themselves. He, however, warned that the workers might have to be asked to share accommodation with their colleagues. He wanted to establish the principle that the workers were as good and as indispensable in running an industry as the capitalists. He concluded by appealing to both the sides to observe industrial truce in letter and in spirit.

TENTH SESSION

(New Delhi, 20-22 March 1950)

Chairman—SHRI JAGJIVAN RAM

Extracts from the Chairman's Speech

This special session has been called to consider what in my opinion, is the most important piece of labour legislation, viz. the

* See Appendix V.

Labour Relations Bill and, along with it, the connected Trade Unions Bill. The Industrial Disputes Act, 1947, was practically our first effective venture in the field of labour-management relations, particularly compulsory arbitration. The experience that we have gained of the working of that Act has encouraged us to believe that a more systematic, if somewhat elaborate, approach to the problem of labour-management relations will pay good dividends.

I shall touch very briefly on the cardinal points of the Bill. First, there shall be no disputes before negotiations. That is to be achieved in two ways. Works Committees which have gained a fair measure of success under the existing Act will receive further careful tending and planned nurture. Again, I firmly believe that if at the first symptoms of an approaching labour dispute the parties get together and discuss it with a view to arriving at a settlement, many a compromise would be possible. That is why we have considered it worthwhile to devote a whole chapter to preliminary negotiations and timely conciliation.

Another important object of the Bills which we are going to consider shortly is the building up of a strong, self-reliant and responsible trade union movement which will cease to be a pawn on the political chess-board. That is the reason why we have considered it necessary to reduce the proportion of outsiders in the executives of trade unions.

Along with these measures we have considered it opportune to suggest a simple procedure for collective bargaining. I feel that sooner employers and workers develop the habit of planned collective bargaining, the sooner will they find themselves freed from the shackles of courts and tribunals, boards and committees which, however inevitable they may be, seem at times so great a burden....

CONCLUSIONS

10.1 *The Labour Relations Bill, 1950, and The Trade Unions Bill, 1950*

After a general discussion on the underlying principles of the proposed Labour Relations Bill and the Trade Unions Bill the individual provisions of the Bills were considered. The views expressed were noted.

ELEVENTH SESSION

(New Delhi, 11-12 August 1951)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

11.1 *Creation of Welfare Trust Funds on a Statutory Basis*

The Chairman observed that the discussions had shown that the workers and an overwhelming majority of the State Governments were in favour of a compulsory scheme. While the employers were also convinced of the desirability of having welfare funds, they would prefer persuasion and voluntary enterprise to compulsion.

11.2 Vocational Training and Apprenticeship

The Conference agreed in principle that suitable arrangements should be made for the training of retrenched workers with a view to finding alternative employment for them.

11.3 Resolutions of the ILO Industrial Committee on Iron and Steel regarding (i) Guaranteed Wages, and (ii) Technological Improvements and Their Effect on Employment

The Chairman remarked that the resolutions were placed before the Conference mainly for information.

11.4 Practicability of Amalgamating At Least a Part of the Existing Dearness Allowance with Normal Wage Rates

There was some discussion. But no specific recommendation was adopted on the subject.

11.5 Central Institute for Training of Factory Inspectors and Labour Officers

The acting Chairman, in winding up the discussion on the subject, remarked that all sections appeared to be agreed to the need for a central training institute and for theoretical training to be supplemented by practical training. He hoped that Government would prepare a draft scheme taking into account the suggestions made by members, particularly the one regarding the training of trade union workers.*

TWELFTH SESSION

(Naini Tal, 8—11 October 1952)

Chairman—SHRI V. V. GIRI

CONCLUSIONS

12.1 Questionnaire on Industrial Relations

Summing up by the Chairman

.....On the question of basic policy it is abundantly clear that all sections of the House without exception wish to see a much greater measure of emphasis being placed on collective bargaining and mutual settlement of disputes through voluntary conciliation and voluntary arbitration. On this very important issue at least there is no difference of opinion between the three groups....

.....A great impetus must be given to the settlement, through mutual agreements, of the bulk of the more important disputes which are now responsible for producing, from time to time, quite serious estrangement in the relations between the parties.

Opinion, however, is not unanimous as to the measures necessary to give that impetus which we all so sincerely desire. While

* Another item on the agenda of the eleventh session was: Employers' View-points on Certain Matters Affecting Labour. This, however, was not discussed.

some delegates share my view that this cannot effectively be done so long as compulsory adjudication is kept on the Statute Book, the majority are of the view that greater emphasis on mutual settlement is itself likely to produce quite satisfactory results and that it would be too risky for Government to divest themselves of authority to step in with compulsory adjudication when all other methods of settlement have failed. The consensus of opinion, however, is that reference of a dispute for compulsory adjudication should be the very last resort and that it should be made only in exceptional circumstances.

.....I shall.....carefully consider the view held by the majority of the members that collective bargaining and mutual settlement of disputes should be encouraged without prejudice to the ultimate use of the weapon of compulsory arbitration, i.e. as a last resort and in exceptional circumstances when all other methods have failed. If eventually we accept that view as the policy for the immediate future, we shall have to examine how best it can be achieved and what amendments of the existing law are called for to bring about the desired result.....

It would appear that there is general agreement that the Appellate Tribunal should be abolished. I have taken note of the anxiety of the employers' organisations that the abolition of the Appellate Tribunal should not again lead to lack of uniformity in awards..... There seems also to have been general agreement that bargaining agents should operate on both the unit level and the industry level and that the functions of the unit bargaining agent and of the industry bargaining agent, where they co-exist, should, if possible, be well-defined. Workers' organisations and State Governments have again reiterated their suggestion that employers should not be permitted to make any changes in service conditions without consulting workers. As to the various stages of settlement of disputes, the general opinion seems to be that there should first be a notice of change. It should be followed by mutual negotiation through joint committees. There should then be voluntary conciliation and, on its failure, voluntary arbitration, preferably by a board of arbitrators nominated by the parties themselves. The final stage of compulsory adjudication is to be reserved for the few exceptional cases.....

.....We have also had a suggestion that a small committee might be set up to evolve, if possible, an agreed scheme which would form the basis of legislation..... I have decided to set up a committee* consisting of one representative each of the four central organisations of workers and of the three central organisations of employers, that is, seven in all.†

The Seven-man Committee met at New Delhi on 4—6 December 1952 but no agreed scheme could be evolved.

*Other subjects on the agenda of the twelfth session were: Special Review of the Tripartite Machinery; Uniform Standards for National and Festival Paid Holidays in Private Undertakings; Productivity Studies and Programme; and Industrial Housing. These, however, were not discussed.

THIRTEENTH SESSION

(Mysore, 7—9 January 1954)

Chairman—SHRI V. V. GIRI

Extracts from the Chairman's Speech

.....Since the last Conference at Naini Tal, there have been a number of important developments of vital concern to labour. I must, first of all, refer to the subject of labour-management relations which occupied so much of our time at that Conference. You will, no doubt, remember that I was pleading hard for the substitution of a policy of mutual negotiation and settlement of disputes for that of compulsory adjudication. Detailed consultations during and after that Conference have, however, convinced me that the conditions in the country are not favourable for a change in the basic policy that now governs the administration of labour laws...

CONCLUSIONS

13.1 *Review of the ILO Conferences and Committees*

The Chairman stated that he would examine the possibility of constituting a small tripartite committee* which could draw up a programme of implementation of the principles. If not, the individual provisions of ILO Conventions.

13.2 *Composition of the Indian Labour Conference*

It was agreed that the subject should be remitted to the Standing Labour Committee.

13.3 *Technical Assistance*

No conclusion was adopted on the subject.

13.4 *Problems of Women Labour.*

A number of suggestions were made for ample employment opportunities and training facilities, better amenities at work-places, etc. for women. These were noted.

13.5 *Wage Fixing Machinery*

The Conference considered the question of minimum wages with special reference to:—

- (i) the implementation of the Minimum Wages Act with regard to the various employments under the Act;
- (ii) want of principles for fixing the minimum wages under the Act;
- (iii) absence of uniformity in the actual fixation of wages under the Act;
- (iv) the lacuna that exists in the various provisions of the Act; and

*See Chapter VI—Committee on Conventions.

- (v) the need for widening the scope of the Act to cover additional sweated employments and also to secure improvements in the existing provisions.

The Conference having considered various suggestions made by different interests in all aspects, recommends to the Government that the following steps be taken:—

- (i) that the time for implementation of the Minimum Wages Act in respect of Part I of the Schedule be extended till 31 December 1954;
- (ii) that the Central Advisory Board should lay down principles and criteria for the fixation of minimum wages;
- (iii) that the manner in which the Act is so far implemented should be immediately examined by the Central Advisory Board with a view to formulating a code of directions to be issued by the Central Government to State Governments; and
- (iv) that the Governments should issue Notifications for covering additional employments on the advice of the Central Advisory Board.

13.6 *Implementation of Industrial Statistics (Labour) Rules*

A Sub-Committee consisting of Statistical Experts from the States was set-up to consider the staff and set-up required for the purpose of implementing the Rules.

13.7 *Gorakhpur Labour Scheme*

This Conference recommends that a tripartite committee of six (two Government, two employers and two workers) be set up to recommend to Government the steps to be taken in relation to the scheme of recruitment of Gorakhpur labour with a view to considering all questions, including the removal of defects, if any, particularly those relating to freedom of movement, infringement of trade union rights, security of service and discriminatory treatment, and to make necessary recommendations*.

13.8 *Uniformity in Legislation Relating to Maternity Benefits*

The Central Government should draw up minimum standards and recommend them to State Governments for adoption either by enactment or by revision of the existing laws wherever necessary.

13.9 *Payment of Provident Fund Dues to a Subscriber Before Retirement*

The subject was discussed but no agreed conclusion was adopted.

*The Committee which submitted its report in September 1954 was of the view that the abolition of the Gorakhpur Labour Organisation would not be in the interests of labour. Also, see Ch-IV, paras 6.3, 7.1 and 8.8.

FOURTEENTH SESSION

(Bombay, 14—16 May 1955)

Chairman—SHRI KHANDUBHAI K. DESAI

Extracts from the Chairman's Speech

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.... We are meeting at a very opportune time. The Second Five-Year Plan will soon be on the anvil, and it is for all of us, irrespective of the group to which we belong, to contribute in a full measure towards the evolution and execution of a bold Plan of national development. That Plan will be based on socialistic principles and will aim at the creation of a socialistic pattern of society. Though five years is very short period in the history of nations, we ought to be able, even during that period, to take concrete steps towards the implementation of our ideal in the matter of the production and distribution of wealth to the advantage of the common man. The First Plan served a definite purpose but had its limitations the Second will have to be different. It cannot afford to be too modest in its scope or too apologetic about its achievements. The gap between the 'haves' and the 'have-nots' will have to be visibly narrowed down; the standards of living of the lower and middle classes will have to be substantially raised. The test of success will, of course, be whether the common man, particularly the poor man, feels that his lot is becoming somewhat better day by day. There can be no sharing of prosperity or wealth until wealth is created. Socialism cannot, therefore, have any real meaning unless the nation as a whole decides to produce more wealth. That is the crux of the whole problem. This Conference containing, as it does, the authoritative spokesmen of workers, of employers and of Governments, that is, of the three main forces that must join hands to produce more wealth, has a great responsibility for achieving the goal of greater production.....

CONCLUSIONS**14.1 Industrial Relations**

There was a general discussion on the subject but no conclusion was adopted.

14.2 Amendment of the Minimum Wages Act, 1948

The Conference recommended a number of amendments to the Minimum Wages Act, 1948.

14.3 Desirability of Extending the Employees' Provident Funds Act, 1952, to Certain Well-established Industries

(i) All industries.....with a total employment strength of 10,000 workers throughout India in factories employing 50 or more persons should be covered.

(ii) The representatives of State Governments desired that they should be consulted before any new industries were added to Schedule I to Employees' Provident Funds Act. Employers' representatives raised the question of capacity of the industry to pay and desired that the employers should also be consulted in this regard

before an industry was included in the Schedule. It was considered that the Government of India would give due consideration to these requests while extending the scope of the Employees' Provident Funds Act.

(iii) It was considered that there was no bar to the inclusion of seasonal industries in Schedule I to Employees' Provident Funds Act. For this purpose, however, the eligibility qualification should be suitably reduced. It was agreed that an employee who had worked for $\frac{1}{3}$ the number of working days in the preceding season would be eligible for provident fund benefits. The number of working days for a seasonal industry and other details would be determined by the Central Government and incorporated in the Scheme.

14.4 Problems of Agricultural Workers

The Conference considered the findings of the first All-India Agricultural Labour Enquiry and made a number of suggestions for improving the economic conditions of agricultural workers. The suggestions related mostly to the fixation of minimum wages under the Minimum Wages Act.

14.5 Conditions of Child Labour

(i) Inspection services, including medical inspectorate, should be reinforced for better implementation of protective legislation.

(ii) Protective laws should be rationalised by providing for a uniform minimum age of employment of 14, uniform hours of work, rest interval, weekly rest days and non-employment at night, i.e. between 7 p.m. and 6 a.m. The provision regarding the age of employment need not at this stage apply to agriculture and plantation labour.

(iii) State Governments should be requested to provide for such general and vocational training and education to children before they attain the age of employment as may be practicable in the respective States. The employers' and employees' representatives agreed on the need for total elimination of child labour and pledged their cooperation for eradicating it. The assurance of the employers' representatives expressly included not only labour directly employed by them but also contract labour.

14.6 The Next Five Year Plan

The Conference considered proposals in respect of schemes to be included in the Second Five Year Plan in the light of the progress made in the implementation of the recommendations of the First Plan on labour matters. There was a general discussion and no specific conclusion was adopted.

14.7 Appointment of a Wage Commission

There was an exchange of views on the subject, but no conclusion was adopted.

14.8 Proposal to Change the Name of "Working Class Cost of Living Index Numbers" Used for the Labour Bureau Series to "Consumer Price Index Numbers for Working Class"

The Conference adopted the change on the understanding that this was only a change in nomenclature and nothing else.

It was also agreed that the words "working class" should be added after the words "Consumer Price Index Numbers".

14.9 *Merger of a Portion of Dearness Allowance with Basic Wages*

The subject was for general discussion and no conclusion was adopted.

14.10 *Proposals for Conventions and Recommendations on the Agenda of the 38th Session of the International Labour Conference, Held During June 1955*

(i) *Vocational Rehabilitation of the Disabled*

It was felt that the Recommendation was too wide in its scope and it would be difficult to implement it in a country like India. If possible the scope of the Recommendation should be limited to industrial disablement.

(ii) *Vocational Training in Agriculture*

It was agreed that such vocational training as was practicable within the resources of the country, should be made available for agriculturists.

(iii) *Welfare Facilities for Workers*

The need for welfare facilities was accepted. It was pointed out that welfare facilities were already being given either under legislation or on a voluntary basis. Wherever deficient, such facilities should be improved.

It was agreed that the I.L.O. proposals should be supported by the Indian delegation subject to the above limitations.*

FIFTEENTH SESSION

(New Delhi, 11-12 July 1957)

Chairman—SHRI GULZARI LAL NANDA

Extracts from the Chairman's Speech

.....The Plan sums up the hopes and aspirations of the people of the country.....

.....There are several measures which the country has to adopt to ensure the fulfilment of the Plan, but the most effective and the most fruitful of them all can be described as the achievement of higher productivity in every aspect of our economic life....

.....Those engaged in industry in one capacity or another have a special obligation in this respect..... The realisation of the targets of the Plan calls for very special efforts on the part of all, especially the workers and the management. I hope that the claims of the Plan will occupy the centre of our thoughts in the entire course of our deliberations in this Conference.

*An item placed on the agenda of the fourteenth session at the instance of the All-India Manufacturers' Organisation was: Desirability of Introducing an Unemployment Insurance Scheme in Place of the Present Provisions for Lay-off and Retrenchment Compensation. This, however, was not discussed. Another item on the agenda was: Review of ILO Conferences and Committees held in 1954. This also was not discussed.

From several directions the principal items of the agenda bear on this objective.....

.....The various items on the agenda—wage policy, housing, training, workers' participation in management, discipline, workers' education—have all to be treated as parts of an integrated approach to the attainment of higher standards in respect of workers' performance as well as their well-being.

... I feel very uncomfortable when I hear from many people that indiscipline is rife in offices and factories. ... Without a high standard of discipline there can be no prospect of either improved productivity or any effective participation of the workers in management For both higher productivity and better discipline, conditions will have to be created which include, among other things, a sense of security of employment, prompt attention to grievances, a fair deal in all matters, free latitude for organisation, a practical recognition of the status of the worker as a partner and consideration for his well-being in human terms.

It is my earnest request to all the participants in the Conference to address themselves to the solution of this problem with the greatest earnestness and sense of urgency. My appeal to you is to take counsel together in the course of this session and evolve a code of behaviour in the enforcement of which the employers and the various organisations of the workers will give unreserved co-operation.....

CONCLUSIONS

15.1 *Report of the Study Group on Worker Participation in Management*

The following recommendations of the Conference Committee on this subject were adopted:—

While there was general agreement, in principle, with the basic idea of worker participation in management there was some discussion whether the idea should be implemented through legislation or by mutual agreement between employees and employers in selected industrial establishments. On behalf of the employers it was suggested that they should be given a period of two years to operate the scheme of worker participation voluntarily and if this experiment did not succeed, Government might bring in legislation. The employees' representatives were, however, apprehensive about leaving the matter only to the initiative of employers and employees and desired that in order to avoid any delay in the implementation of the scheme an enabling legislation should be instituted. During the course of discussion it was pointed out that as the scheme was proposed to be implemented in selected industrial units, the question of instituting legislation should not be thought of at this stage. Such a scheme sponsored on the volition of employers might promise better success. There was some discussion regarding the method of selecting the workers' representatives, particularly where there was more than one union.

One of the workers' representatives desired that the representative union recognised under law might be taken into consideration for the purpose. After some discussion it was decided that a small

sub-committee* for four persons each from the employers' group and the employees' group and Government be set up immediately to consider the details regarding the scheme of worker participation in management. The Committee, however, accepted the following main recommendations contained in the Report of the Study Group:—

- (i) the main functions of the councils may include provision of means of communication, improvement of working and living conditions, improvement in productivity, encouragement of suggestions and assistance in the administration of laws and agreements. It may be desirable to consult the councils regarding matters like alterations in standing orders, retrenchment, rationalisation, closure, reduction in or cessation of operations, introduction of new methods, procedures for engagement and punishment. They may also have the right to receive information about the general economic situation of the concern, the state of the market, production and sales programmes, organisation and general running of the undertaking, circumstances affecting the economic position of the undertaking, methods of manufacture and work and the annual balance sheet and profit and loss statement and connected documents and explanations, and such other matters as may be agreed to by employers and employees;
- (ii) it would be preferable to exclude wages and bonus and individual grievances from the purview of joint bodies but otherwise the list of functions should be flexible enough to be settled by joint consultation between the management and the representative trade union;
- (iii) to reduce the danger of apathy, councils of management may be entrusted with some administrative responsibility, such as administration of welfare measures, supervision of safety measures, operation of vocational training and apprenticeship schemes, preparation of schedules of working hours and breaks and of holidays and payment of rewards for valuable suggestions;
- (iv) there should be a strong self-confident trade union closely connected with the machinery of participation and with a reasonably clear separation of functions. It would be advisable to devise some methods for closely associating the trade unions in the selection of workers' representatives;
- (v) it is necessary to enlist the willing co-operation of management at the middle and lower level such as junior managers, supervisors and foremen;
- (vi) joint consultation should be 'inbuilt' and for this purpose government should provide an advisory service on personnel management on the lines of the U.K. Ministry of Labour; and
- (vii) while Government should accept leadership for organising a sustained educational campaign for creating the

*See pages.....

necessary atmosphere, it should not be made a departmental affair but effort should be made to build up a tripartite machinery of direction by utilising employers' organisations, trade unions, non-official bodies, etc.

15.2 Report on Workers' Education

The Recommendations of the Study Team finally endorsed by the Conference are as follows:—

Recommendation No. 1

(i) A Central Board, having semi-autonomous authority, should be established comprising representatives from trade unions, employers, Government (including Ministries of Labour and Education) and educational institutions.

Its primary functions should be to—

- (a) lay down policy;
- (b) administer the programmes, allocate funds, inspect, co-ordinate, audit accounts, etc.;
- (c) arrange for the provision of educational materials;
- (d) establish standards for teachers and programmes;
- (e) encourage the establishment of active educational departments within the national unions and federations; and
- (f) otherwise stimulate and promote the development of workers' education.

Recommendation No. 2

At the instance of the Central Board or, when a local demand is made, State and/or Regional Boards, on the pattern of the Central Board, should be set up as soon as practicable.

Within their respective areas the functions of these Boards should be similar to those of the Central Board.

Recommendation No. 3

Local Workers' Education Boards should be created in industrial centres by existing Boards.

The Local Boards should encourage local workers' education activities and administer approved programmes.

Recommendation No. 4

Any industrial worker, whether literate or illiterate, trade union member or not, and full-time union officials and staff should be eligible for the services provided by the Boards.

Selection of candidates for the Workers' Education Programme should be made by the Local Boards.

Recommendation No. 5

Where trade unions exist, applications for workers' education may be channelled through such trade unions. In the absence of trade unions, workers may apply direct to their respective Boards.

Recommendation No. 6

A series of programmes should be organised in existing educational institutions, at local union level, community centres, place of employment or at labour colleges and schools that may be established to provide instruction in—

- (a) trade union consciousness;
- (b) the purposes, functions and administration of trade unions;
- (c) the conduct of union-management relations and knowledge of the industry; and
- (d) the development of a mature individual and his role as a citizen.

Recommendation No. 7

Instruction should be provided for programmes as follows:—

- (a) single-session conference;
- (b) part-time classes;
- (c) full-time courses from one week to three months or of a longer duration when required; and
- (d) such other methods as may be found desirable.

Full attention should be paid to the techniques of instruction such as informal discussions, role-playing, field work, seminars, lectures, films, correspondence courses, etc.

Recommendation No. 8

Provision should be made for training teachers and programme-administrators for full and part-time assignments. While existing facilities should be used to their maximum, an initial project of teacher-administrator instruction should be inaugurated forthwith.

Recommendation No. 9

Suitable materials in the necessary language should be prepared consisting of—

- (a) pamphlets, books and charts;
- (b) teaching manuals and guides; and
- (c) audio-visual aids.

Recommendation No. 10

Institutions and individuals interested in workers' education should be encouraged to form a non-official Workers' Education Association acting in co-operation with the adult education movement.

Recommendation No. 11

The Workers' Education Programme should be financed by—

- (a) Central and State Government grants;
- (b) contributions from trade unions;
- (c) assistance in kind from educational Institutions, e.g. class rooms, libraries, teaching, etc.;

- (d) support by employers through payment of release-time wages for the duration of the training period; and
- (e) grants from funds consisting of unpaid wages, fines, canteen profits, etc.

In allocating the resources, due regard should be paid to the importance of initiating the programmes, and providing services and materials in preference to sponsoring any ambitious programme involving capital expenditure on buildings.

(One of the employers' representatives pointed out that item (d) of Recommendation No. 11 should be subject to the decision of the Supreme Court in the case which was pending with them. There was also some discussion for fixing a limit of the number of workers who might be given release-time wages, but it was ultimately decided to leave that matter for the Local Boards to decide.)

Recommendation No. 12

Consideration should be given to those matters which might provide a more favourable climate to accomplish the goals of workers' education by—

- (a) instituting measures calculated to bring about a strong trade union movement;
- (b) providing courses in labour-management relations in educational institutions;
- (c) meeting the great need for the Government to set the example as an ideal employer to the worker and/or trade unions engaged in the public sector;
- (d) encouraging a wage policy that provides for wage and/or incentive bonus adjustments as productivity rises; and
- (e) undertaking a study of legislation at the Central and State Government levels with the objective of strengthening and co-ordinating all legislation affecting the trade union movement.

15.3 Training Within Industry (TWI)

The following recommendations of the Conference Committee were accepted:—

While stressing the fact that this scheme deserved greater support from the employers and other concerned interests, the Committee accepted the following suggestions set out in the Memorandum:

- (i) TWI should be intensified by having definite programmes drawn up for—
 - (a) groups of typical industries, and
 - (b) groups of industries on a regional or State basis dealing, in order of priority, with areas where the larger industries are located.

- (ii) Special programmes should be arranged for industries in the nationalised sector, including potential supervisors required for the new industries to be developed during the Second Five Year Plan.
- (iii) The scheme should be implemented in consultation with the workers' unions.
- (iv) Persons trained under the scheme should, as far as possible, be continued on the job for which they had received training so that their training might be of greater utility.

15.4 *Model Agreement to Guide Employers in Regard to Rationalisation*

The recommendations of the Conference Committee on the subject as adopted by the Conference are as follows:—

The Second Five Year Plan stressed the need for promoting increased productivity for the general benefit of the community, the enterprise and the workers. In this context, rationalisation, that is, better utilisation of men, machines and management in industrial undertakings, has assumed great importance. The Committee discussed the content of rationalisation and the procedure to be followed by establishments which proposed to introduce schemes involving higher productivity. It was emphasised and agreed that Government might make arrangements to ensure that measures of rationalisation which did not serve real economic interest in the existing conditions of the country might be avoided. This and what follows would be applicable even in the case of units which have already taken initial steps to introduce rationalisation but have not completed the process. The Committee agreed on the basis provided for this purpose in paragraphs 28 and 29 in the Chapter on Labour Policy, and Programmes in the Second Five Year Plan and emphasised particularly that—

- (i) there should be no retrenchment or loss of earnings of the existing employees i.e. the full complement required for the operations before rationalisation should be maintained except for cases of natural separation or wastage. Workers could, however, be provided with suitable alternative jobs in the same establishment or under the same employer, subject to agreement between the employer and his workers;
- (ii) there should be an equitable sharing of benefits of rationalisation as between the community, the employer and the worker; and
- (iii) there should be a proper assessment of work-load made by an expert or experts mutually agreed upon and also suitable improvement in the working conditions.

Subject to the above conditions, the following broad procedure was suggested to smoothen the progress of rationalisation. The union or unions in an undertaking and the employer could enter into a working arrangement on the following lines:—

- (1) the company may seek to make such changes in machinery, lay-out and organisation as it deems necessary

- for efficient operation of machinery and rational use of labour and material without prejudice to the provisions of any law for the time being in force and subject to the provisions of the working arrangement;
- (ii) before any such change is effected, the company shall give reasonable notice, ranging from three weeks to three months, to the union(s) of its intention to effect the change. The notice shall be in a form mutually agreed upon and shall contain full information regarding the nature of the proposed change, approximate date of such change, proposed duties for workers concerned and their job assignment and the expected earnings. Where, however, an appropriate procedure for notice of change exists under the current legislation, the same should be observed in preference to the above;
 - (iii) the employer shall also furnish information regarding the change and the reduction in the number of jobs and also the effect of the change on the number of jobs in other departments affected by the same change;
 - (iv) the employer and employees shall meet and discuss the proposal as soon as possible after the notice has been given under para (ii) above. The employer shall furnish all information necessary for a complete understanding of the proposed change and shall explain the contemplated change to the union(s);
 - (v) the union(s) shall, within a week after the discussion with the employer, present its views or proposals to the employer. If there is agreement between the parties, the employer may introduce the change on the due date in accordance with the agreement;
 - (vi) the union(s) shall be given adequate opportunity to study the new change so as to enable it to gauge the work-loads and the earnings of the employees engaged in the new operation; and
 - (vii) if there are differences between the parties on any matter covered by this working arrangement, the matters in dispute shall be referred for arbitration or adjudication.

15.5 *Steps Necessary to Popularise the Subsidised Industrial Housing Scheme among Employers and Co-operatives*

The recommendations of the Conference Committee, as adopted by the Conference, are as follows:—

(i) The Committee noted with regret that the funds allocated for construction of houses to the various agencies viz. Governments, employers' and workers' cooperatives have not been fully utilised. It urged that steps should be taken to remedy this unsatisfactory situation.

(ii) The Committee examined the reasons for insufficient response from employers and workers for the Subsidised Industrial Housing Scheme and concluded that workers were not prepared to

rent such houses in many cases because those were located in places far from their place of work. Note was taken in this connection of the need for co-ordinating the Industrial Housing Scheme with those of slum clearance. Employers complained of administrative delays in getting financial sanctions, non-availability of building materials and the soaring land prices. The State Governments also pleaded for modifications in (a) the procedure for the allocation of funds, (b) distribution *inter se* of the allotted funds between the different agencies, (c) the procedure for acquisition of land for construction of houses, and also, (d) the types of accommodation on the basis of local conditions.

(iii) Rising costs and non-availability of land are becoming major impediments to industrial housing. In order to overcome these difficulties steps should be taken by Government to freeze land prices at suitable levels and to make the land available for construction of houses under the industrial housing schemes.

(iv) A question was raised by the workers' representatives whether Government contemplated integration of existing schemes, namely those of—

- (a) Industrial Housing;
- (b) Housing for Low Income Group; and
- (c) other Subsidised Housing.

It was explained on behalf of Government that some suggestions had been made to that effect but before taking any final decision on them Government would place the matter before the Indian Labour Conference, if such integration was likely to affect the provision for Industrial Housing.

(v) There was a general plea that there should be a rise in the ceiling on cost for tenements as fixed at present, and that the matter should be examined immediately. The Committee also urged on the Central Government that along with the subsidy which the Centre gave to the States, the employers and the co-operatives of workers, there should be a guarantee that the necessary supplies of building materials would be made available if the distribution of such material was controlled by the Central Government.

(vi) (a) It should be incumbent on employers to provide at least a reasonable number of houses for their workers.

(b) The Housing Departments of State Governments should assist employer and co-operatives in the procurement of essential building materials. Steps should be taken by the Central Government to enact a National Housing Act.

(c) Housing Co-operatives have to handle long term finance and management of real estate, unlike co-operatives formed for other purposes; the Housing Departments of State Governments should, therefore, organise separately housing co-operative movements, and for this purpose a special unit drawn from the office of the Registrar of Co-operative Societies should function under the administrative control of the State Housing Department.

(d) For effective implementation of housing schemes for workers and other low-income groups, a greater co-ordination in

various departments is necessary at the State level. At present, in most of the States, the subject of housing is being handled by several departments, which creates difficulties, particularly in the way of workers taking full advantage of the Subsidised Industrial Housing Scheme. It is, therefore, suggested that each State Government should have a Housing Department dealing with all aspects of housing in an integrated manner.

(e) The quantum of financial assistance to employers may be raised from 62½ to 75 per cent., i.e. 50 per cent. loan plus 25 per cent. subsidy, and guarantees from Scheduled Banks and Co-operative Banks may be accepted as alternative security in lieu of execution of agreements and mortgage deeds.

(f) The Central Government are already advancing short-term loans, under the Low Income Group Housing Scheme, at low rates of interest to State Governments for acquisition of land and its development with essential services such as water-supply, drainage, electricity, roads, etc. The State Governments may be permitted by the Central Government to sell part of such developed land to employers and co-operatives on no-profit-no-loss basis for the construction of houses under the Subsidised Industrial Housing Scheme. Where the housing colonies are located far away from the factory area, transport should be provided to workers on a no-profit-no-loss basis.

(g) Taking into account the inability of many workers to provide their own contribution, viz. 25 per cent. of the cost, the Central Government have permitted State Governments to build houses under the Scheme and allot them to workers on a hire-purchase basis. However, if some of the workers prefer to own the houses straightaway they may be permitted to withdraw their contribution of 25 per cent. from their accumulations under the Employees' Provident Fund Account.

(h) The present arrangement of providing 50 per cent. of the cost of housing as loan and 25 per cent. as subsidy should be changed to 60 per cent. loan and 30 per cent. subsidy in the case of workers' co-operatives.

(i) The various agencies should take full advantage of the funds allotted to them for the construction of houses.

15.6 Wage Policy During the Second Five Year Plan

The recommendations of the Conference Committee, as adopted with certain modifications, are given below:—

(1) Two important aspects of wage policy, as stated in the Second Five Year Plan, are (i) the laying down of principles to bring wages in conformity with the aspirations of the working class, and (ii) the appropriate machinery for the application of these principles to cases referred to it. The Committee considered the four notes placed before it and felt that they would be useful as background material for wage fixation. The Committee took note of the difficulties in assessing quantitatively the individual importance of various factors affecting wage fixation, such as, productivity, cost of living, the relation of wages to national income and so on and

proceeded to discuss the wage policy with specific reference to minimum wages and fair wages.

(2) With regard to the minimum wage fixation, it was agreed that the minimum wage was 'need-based' and should ensure the minimum human needs of the industrial worker, irrespective of any other consideration. To calculate the minimum wage, the Committee accepted the following norms and recommended that they should guide all wage fixing authorities, including minimum wage committees, wage boards adjudicators, etc.:—

- (i) in calculating the minimum wage, the standard working-class family should be taken to consist of 3 consumption units for one earner; the earnings of women, children and adolescents should be disregarded;
- (ii) minimum food requirements should be calculated on the basis of a net intake of 2,700 calories, as recommended by Dr. Akroyd, for an average Indian adult of moderate activity;
- (iii) clothing requirements should be estimated at a per capita consumption of 18 yards per annum which would give for the average worker's family of four, a total of 72 yards;
- (iv) in respect of housing the norm should be the minimum rent charged by Government in any area for houses provided under the Subsidised Industrial Housing Scheme for low-income groups; and
- (v) fuel, lighting and other 'miscellaneous' items of expenditure should constitute 20 per cent. of the total minimum wage.

(3) While agreeing to these guide lines for fixation of the minimum wage for industrial workers throughout the country, the Committee recognised the existence of instances where difficulties might be experienced in implementing these recommendations. Wherever the minimum wage fixed went below the recommendations, it would be incumbent on the authorities concerned to justify the circumstances which prevented them from adherence to the norms laid down.

(4) The Committee took note of the steps taken by Government for conducting (a) a wage census, and (b) family budget enquiries in various industrial centres.

(5) As regards fair wages, it was agreed that the Wage Boards should go into the details in respect of each industry on the basis of the recommendations contained in the report of the Committee on Fair Wages. These recommendations of the Fair Wages Committee should also be made applicable to employees in the public sector.

(6) The Committee agreed that the appropriate machinery for wage fixation would be tripartite Wage Boards similar to that already appointed for the cotton textile industry. It was suggested by

workers' representatives that Government might set up Wage Boards for the following sectors of employment:—

- (a) Jute, (b) Plantations, (c) Mines (other than coal), (d) Engineering, (e) Iron and Steel, (f) Chemicals, (g) Sugar, (h) Cement, (i) Railways, (j) Posts and Telegraphs, (k) Civilian Employees in Defence Establishments covered by the Industrial Disputes Act, 1947, and (l) Ports and Docks.

The employers' representatives were of the view that it might be left to the discretion of Government.

(7) The Committee suggested that the Government Study Group* might usefully assemble available material on the following subjects for the information of all concerned:—

- (i) work-load and job evaluation;
- (ii) rationalisation of management in industries including those in the public sector;
- (iii) working conditions; and
- (iv) a detailed study of the relative share of workers, capital, management and the public exchequer in the factory product.

While suggesting this the Committee recognised the difficulties in the assembling of such material and its interpretation for the purposes of wage fixation, but felt that a beginning might be made in this direction.

15.7 Discipline in Industry

The Report of the Conference Committee, as adopted by the Conference after certain modifications, is as follows:—

The Committee met at 10 A.M. on 12 July 1957, to consider Discipline in Industry—item 9 on the agenda of the Conference. After an exchange of views, the Committee appointed a Sub-Committee to examine the suggestions made during the discussion for improving discipline and to finalise the conclusions. The Report of the Sub-Committee is given below:—

Report of the Sub-Committee

The representatives of Government and employers' and workers' organisations at the meeting of the Sub-Committee discussed the question of maintaining proper discipline in industrial undertakings and cordial human relations so as to ensure maximum production in the wider national interest. It was accepted that the dignity and status of the worker should be recognised to ensure harmonious relations and better production.

2. The Sub-Committee unanimously agreed to the need for adherence to the following principles by employers and workers:—

- (i) there should be no strike or lockout without notice;

* The Steering Group on Wages held five meetings between December 1957 and September 1960. The subjects discussed included the following: working class family budget enquiry; wage census; replacement costs in industry; study of wage costs; absenteeism pattern of colliery workers in Jharia; and principles of bonus fixation.

- (ii) no unilateral action should be taken in connection with any industrial matter;
- (iii) there should be no recourse to 'go-slow' tactics;
- (iv) no deliberate damage should be caused to plant or property;
- (v) acts of violence, intimidation, coercion or instigation should not be resorted to;
- (vi) the existing machinery for settlement of disputes should be utilised;
- (vii) awards and agreements should be speedily implemented; and
- (viii) any action which disturbs cordial industrial relations should be avoided.

3. Having agreed to the foregoing general principles, the Sub-Committee recommended that the following matters might be further studied:—

- (i) uniformity in wages, service conditions and other benefits in the same industry in an area;
- (ii) need for long-term settlements, avoidance of dilatoriness and speedy settlement of industrial disputes;
- (iii) sanctions against employers or unions violating any of the principles mentioned in the preceding paragraph;
- (iv) proper definition of 'unfair labour practices' such as interference in trade union activities, etc.; and
- (v) question whether curtailment of production consequent on closure would amount to an act of indiscipline.

4. The Sub-Committee considered that the Works Committee at the unit level would be a useful agency to deal with matters relating to discipline and recommended the setting up of such committees wherever they did not exist and the appointment of similar committees at the local, regional and central levels.

It was agreed that a standing tripartite committee* should be set up and that it should meet in a fortnight's time to consider the matters mentioned in this Report, as well as other suggestions made in respect of this subject.

5. Sufficient publicity should be given to the contents of the agreement on discipline in industry by bringing them to the notice of employers and workers. The employers' and workers' organisations should adopt resolutions endorsing the principles and ways should be devised for disseminating this information widely.

6. The observance of the principles agreed to would be ensured by the tripartite top level committee mentioned above and a number of committees at lower levels coming down to the works committees.

15.8 General

The Indian Labour Conference would meet at least once every year. The Standing Labour Committee might meet oftener. It was also agreed that the Labour Panel might consider items like productivity.

*See pages 77 to 82.

SIXTEENTH SESSION

(Naini Tal, 19-20 May 1958)

Chairman—SHRI GULZARI LAL NANDA*Extracts from the Chairman's Speech*

.....All of us who will participate in the deliberations of this Conference are inspired by a common purpose which over-shadows our differences regarding a number of matters affecting the interests of the parties. The expectation is that because of this basic oneness regarding the direction of our common endeavours, a way will always be found to resolve these differences and secure the way for the country's progress, the fruits of which will be shared by all in keeping with the claims of justice and equity. All of us swear by democracy. The socialist pattern of society is not the slogan of a party. It is the nation's programme. Full employment in the country and the conquest of poverty are our common objectives. But it is not our professions but our deeds by which the people of our country are going to judge us all. It is the manner of our contribution in such conferences, how far each of us in his own way helps to facilitate the solution of the problems facing the working class in the country and the spirit in which we carry out our obligations at various levels that will furnish the test of our good faith. I say this of all sections of the Conference—Government, employers and the workers.

..... I am all for making up any deficiencies that exist anywhere in respect of remuneration and the conditions of work of any class of labour to the extent it is feasible. I may also add that we should make an all-out effort to eliminate all sources of exploitation and cut down the excessive gains wherever they occur. My only plea is that we should do nothing to sacrifice or prejudice the future of the millions of poor people in the country. In the same context, I have to refer to interruptions of work which occur from time to time on account of strikes and lock-outs. The right to strike is not in question in terms of the laws which govern industrial relations but the exercise of that right has to be viewed in relation to the consequences of stoppages of work for the economy of the country, progress of the Five Year Plan and the damage they cause to workers' own interests. With the Code of Discipline and various other safeguards that are being provided there should be very little loss of man-days arising out of industrial disputes. For the purpose of accelerating the tempo of development, peaceful work is not enough. Higher standards of efficiency must be attained and productivity should rise to higher levels each year.

CONCLUSIONS**16.1 Industrial Relations**

(i) *Suspension of Adjudication*—The consensus of opinion was that time was not appropriate for the suspension of adjudication for the settlement of industrial disputes though adjudication would be the last resort in the process.

(ii) *Works Committees*—The present position should be more fully examined.

(iii) *Grievance Procedure*—The Sub-Committee of the fifteenth session of the Indian Labour Conference should draft a simple and flexible grievance procedure in accordance with the principles evolved by it earlier.*

(iv) *Steps to be Taken to Mitigate the Evils of Trade Union Rivalry*—This was discussed separately in a meeting of representatives of the different central organisations of workers held on 21 May 1953 and an Inter-Union Code of Conduct was adopted at this meeting.**

(v) *Registration of Trade Unions*—

- (a) A trade union should prescribe a minimum membership fee of as. 4 a month and the Registrar of Trade Unions should be given the power to inspect the books of the union.
- (b) Delay in the registration of trade unions should be avoided.
- (c) If out of the seven signatories to an application for registration, one or two got discharged during the pendency of the application and if the signatories were entitled to apply for registration at the time of the application, registration should not be refused on the ground that they had since ceased to be workers.

(vi) *Recognition of Trade Unions and Verification of Membership*—

It was agreed that certain conventions should be evolved for the voluntary recognition of trade unions by employers. The criteria agreed to for such recognition were as follows:—

- (a) Where there was more than one union, a union claiming recognition should have been functioning for at least one year after registration. Where there was only one union, this condition would not apply.
- (b) The membership of the union should cover at least 15 per cent. of the workers in the establishment concerned. Membership would be counted only of those who had paid their subscriptions for at least three months during the period of six months immediately preceding the reckoning.
- (c) A union might claim to be recognised as a representative union for an industry in a local area if it had a membership of at least 25 per cent. of the workers of that industry in that area.
- (d) When a union has been recognised, there should be no change in its position for a period of two years.

* The Model Grievance Procedure as drawn up by the Sub-Committee in September 1953 is at Appendix VI.

** The text of the Code is at Appendix VII.

- (e) Where there were several unions in an industry or establishment, the one with the largest membership should be recognised.
- (f) A representative union for an industry in an area should have the right to represent the workers in all the establishments in the industry, but if a union of workers in a particular establishment had a membership of 50 per cent. or more of the workers of that establishment, it should have the right to deal with matters of purely local interest, such as, for instance, the handling of grievances pertaining to its own members. All other workers who were not members of that union might either operate through the representative union for the industry or seek redress directly.
- (g) As regards the Procedure for Verification of the strength of unions the Conference approved the following suggestions:—
 - (i) Copies of the claims of membership submitted to the Chief Labour Commissioner by each of the trade union federations should be made available also to the other federations so that each may be in a position to know which unions the other federations are claiming and to rectify the position if wrong claims about affiliations are made.
 - (ii) After the Chief Labour Commissioner has completed verification and before finalising it, he should furnish particulars of the verification to the federations concerned. If any of the unions claimed by the federations have not been accepted for inclusion, the reasons why they have not been accepted should be indicated. A specified period of time should be given to the federations to bring to the notice of the Chief Labour Commissioner any errors or omissions which they may wish to point out.

It was further agreed that the verification procedure for the determination of the representative character of a union should be made more adequate. Where the results of verification by the departmental machinery were not accepted by the parties, a committee composed of the representatives of all central trade union organisations should go into the question and resolve the dispute. For this purpose, the central trade union organisations, which could act as a standing machinery, would provide the necessary panels of persons for different localities. If this machinery failed, the question should be left to the decision of an agreed independent agency or a tribunal. The State Governments also should evolve similar procedures concerning industries within their sphere.

- (h) In the case of trade union federations which were not affiliated to any of the four central organisations of

labour, the question of recognition would have to be dealt with separately.

- (i) Only unions which observed the Code of Discipline* would be entitled to recognition and the procedure for recognition should form a part of the Code of Discipline.

(vii) *Union-shop and Check-off*—The proposals for the introduction of union-shop and check-off were rejected. It was, however, agreed that a recognised union should be entitled to collect membership fees every month within the premises of the undertaking.

16.2 *Working of the Employees' State Insurance Scheme and Extension of the Coverage of the Employees' Provident Funds Act, 1952*

- (i) *Share of the State Governments Towards Cost of Medical Benefits on Extension of Medical Care to the Families of Insured Persons*

The State Government's share, on extension of medical care to the families, should be $\frac{1}{4}$ th of the total expenditure during the Second Five Year Plan period and thereafter no revision should be effective unless mutually agreed upon.

- (ii) *System of Medical Care*

The State Governments concerned might adopt any system of medical care (service, panel or mixed) which they consider most feasible.

- (iii) *Capitation Fee to be Paid to Panel Doctors*

It would be desirable for the Employees' State Insurance Corporation to approach the medical profession through the State Government concerned and not directly.

- (iv) *Arrangements for Confinement of Maternity Cases*

A sum of Rs. 30 per confinement case should be paid to the wives of insured persons on extension of medical care to the families.

- (v) *Improvements in Cash Benefits*

Further improvements in the quantum of cash benefits might not be made till such time as the Scheme was extended to the present coverable population in the country and families included within its scope. Some improvement in the rate of maternity cash benefit was, however, necessary under the Employees' State Insurance Act as under some State Maternity Benefit Acts the rates were higher. Persons suffering from T.B. might also be given special consideration in this respect.

- (vi) *Waiting Period*

The question of revision of the waiting period should be examined.

* See Appendix VIII.

(vii) *Covering Families of Insured Persons*

The families of insured persons should be covered for medical care and treatment. Hospitalisation should also be provided for them as soon as possible.

(viii) *Raising Employers' Contribution*

To enable the proposals mentioned above being implemented, the employers' contribution should be raised to 4½ per cent. as already provided for in the law.

(ix) *Integration of Administration*

The administration of the Employees' State Insurance Scheme and of the Employees' Provident Funds Scheme should be integrated.

(x) *Raising of Provident Fund Contribution*

Contributions to the Provident Fund should be increased from 6¼ to 8½ per cent.

(xi) *Pension*

The proposal to convert the Provident Fund Scheme into an Old-age and/or Survivorship Pension (for widows and children) Scheme should be further examined provided that this could be worked within the limit of 16½ per cent. of wages recovered by way of contributions from employers and workers covered by the Employees' Provident Funds Act.

(xii) *Extension of the Scheme to Establishments Having 20 Employees or More*

The present employment limit of fifty persons or more prescribed under sub-section (3) of Section 1 of the Employees' Provident Funds Act, 1952, should be reduced to twenty persons or more. Employees in commercial establishments should also be covered.

NOTE 1: With regard to (vii) above, the employers' representatives were of the view that medical care and treatment should be extended to the families of insured persons only after the Employees' State Insurance Scheme had been extended to insurable persons in all coverable areas.

NOTE 2: The employers' representatives reserved their position with regard to items (viii) to (xii) above as they felt the need for consulting their constituents before making any commitment in this regard and it was agreed that, if possible, the employers' representatives would be consulted before further action was taken on these matters.

16.3 *Amendments to the Industrial Disputes Act, 1947*

(i) *Appointment of District Judges on the Tribunals*

- (a) The proposed amendment to Section 7A(3) of the Industrial Disputes Act, 1947, to enable the appointment of serving or retired District Judges as Presiding Officers of the Industrial Tribunals was approved.

- (b) The employers' representatives agreed to the appointment of District Judges on the Tribunals on the understanding that the whole position would be reviewed after a period of two years.
- (c) It was also desired that an assurance should be taken from District Judges appointed to the Tribunals that they would not practise before the same Tribunal after retirement from it.
- (d) While amending the Act for this purpose, note should be taken of the provisions in the U.P. Industrial Relations Act in this regard.

(ii) *Exemption of Hospital Staff*

Regarding the suggestion of the West Bengal Government that the staff of hospitals, etc. should be excluded from the purview of the Industrial Disputes Act, the consensus of opinion was that a convention should be established whereby the staff would not go on strike provided that an effective machinery for the speedy redress of their grievances was set up by the employer.

16.4 *Subsidised Industrial Housing Scheme*

The employers' representatives undertook to push on with the construction of houses for their workers on a voluntary basis. With a view to encouraging the employers to discharge their responsibility towards their workers in respect of housing, the following measures were recommended:—

- (a) the present quantum of loan to employers under the Scheme be raised from 37½ per cent. to 50 per cent., the quantum of the subsidy, viz. 25 per cent. remaining unchanged;
- (b) the rules for the allotment of tenements should be left to the employer to be finalised in consultation with the workers of his establishment, subject to certain broad principles being laid down by Government; and
- (c) the matter of giving some income-tax relief to employers who built houses for their workers should be examined by Government in greater detail.

If State Governments found that industrial housing was not making progress for want of developed building land, they should spend as much of their allocation under the Subsidised Industrial Housing Scheme as was needed for the acquisition and development of land. This land could be utilised by them or sold at a no-profit-no-loss basis to employers for the purpose of putting up houses for their workers.

16.5 *Evaluation and Implementation of Labour, Enactments, Awards, Settlements, Agreements, etc.*

- (i) While referring cases of non-implementation, etc. complete details of the case, name of the party concerned and specific items

of non-implementation, etc. should be furnished to the Evaluation and Implementation Division.*

(ii) Infringements of the Code of Discipline should be reported to the Evaluation and Implementation Division.

(iii) The need to send replies to questionnaires as early as possible and to make suitable permanent arrangement for furnishing the information to the Evaluation and Implementation Division was emphasised.

(iv) The suggestion that in certain cases, for obtaining further particulars, the Division might write to the party concerned direct with a copy to the central organisation concerned was approved. Later, when the implementation work developed and the State Governments set up their own machinery, the State Governments might be requested to do this in the State sphere.

16.6 Closure of Units and Unemployment

(i) Plantations

Suitable steps should be taken by the Central and the State Governments after examining the recommendations of the Plantation Inquiry Commission, the Industrial Committee on Plantations and in consultation with the Tea Board.

(ii) Cotton Textile

- (a) There were a dozen and more units which had been closed for a number of years. These were beyond the economic possibility of reopening. Where the Government was convinced on expert advice that these old units could not be run, the granting of licences for new units of equivalent capacity should be considered in the same place if parties were willing to seek such licences;
- (b) for the other closed mills or for units which had given notice of closure, an Expert Committee should be appointed to examine each individual unit and make recommendations for suitable remedial action to restore normal working;
- (c) the present difficulties were confined to coarse and medium count mills. Steps might be taken to make available, if possible, long staple cotton to these mills as a special relief measure to enable them to produce finer cloth;
- (d) when adequate additional securities were available, scheduled banks, including the State Bank of India, should be requested to reduce the margin required by them for the advance of working capital. This recommendation should be only of a temporary character till heavy stocks with the unit were disposed of;

* Since re-named Implementation and Evaluation Division.

- (e) rehabilitation and modernisation through the National Industrial Development Corporation might be expedited. In all cases of modernisation, however, the recommendations of the fifteenth session of the Indian Labour Conference on rationalization should be kept in mind;
- (f) for such units where the working was found uneconomic, the grant of licence for the necessary balancing equipment either in spindles or in looms or in preparatory equipment might be favourably considered by Government after examination of the unit concerned;
- (g) in Kanpur and Indore, where the situation was more difficult, special expert committees might be appointed to enquire into the existing conditions of units located there and to suggest remedial action;
- (h) any steps that might be taken to remedy the situation in cotton textile industry should also take into account the position of the handloom industry and of exclusive spinning units; and
- (i) liberal exports of yarn, particularly on the basis of Open General License, might be considered to help the spinning units in the country.

(iii) *Jute*

- (a) In the case of jute textiles outside West Bengal, the transfer of the working of looms from one unit to the other should be effected only after prior permission was accorded for such transfer by the Government concerned;
- (b) the Conference took note of the diversification of jute products which was already taking place and recommended that efforts in this direction should be further intensified; and
- (c) possibilities of further action should be explored at a meeting of the Industrial Committee on Jute to be convened in Calcutta at an early date.

(iv) *Engineering*

The Conference drew the attention of the Government to the acute shortage of steel and imported raw materials for all industries—big, small and medium—and urged that unless immediate steps were taken by Government in this regard, a large number of full or partial closures would take place in this important sector of national economy.

(v) *General*

- (a) The Standing Orders might be so amended that no shift working should be closed without two months' notice and that no total closure should take place without three months' notice to the workers as well as the

Government. However, in the case of units of engineering industry, the period could be reduced in individual cases, if the State Government concerned was satisfied that because of the circumstances of any particular unit, a shorter period of notice, not less than the existing statutory period of one month, was adequate.

- (b) Lacunae in the present provision for the lay-off compensation whereby labour could be denied compensation by working nominally for some days in a week after 45 days' lay off to avoid payment of compensation should be immediately remedied. In the meantime, such practices should not be resorted to.
- (c) Liquidation proceedings took an unconscionably long time. Where Government was convinced on competent advice that a mill, company or a unit could not be worked unless ownership was changed, some measures—legal, if necessary—might be devised for an early completion of the liquidation proceedings or the sale by transfer or open auction of such property even before liquidation, so that the new party would restart working of such units. In the interim, the Government should, as far as possible, work the mill as a measure of unemployment relief with such conditions as agreed to between Government as an employer and the workers concerned. In such cases, steps should be taken to overcome the difficulties caused by the normal financial procedures of Government.
- (d) The Government of India should consider favourably any request coming from the State Governments for enquiries under the Industries (Development and Regulation) Act and in conducting such enquiries should associate the concerned State Governments if it so desired.

SEVENTEENTH SESSION

(Madras, 27-29 July 1959)

Chairman—SHRI GULZARI LAL NANDA

Extracts from the Chairman's Speech

.....This session of the Indian Labour Conference will devote itself almost exclusively to a survey of the whole field of industrial relations in India. Our system of industrial relations has evolved over a period of two decades in the light of experience and in keeping with our special needs and conditions. The last two sessions of the Indian Labour Conference have yielded a basis for common action which has a deep significance and may have a far reaching influence. Prior to this the machinery of industrial relations came into operation when differences had already developed and the intervention of Government was sought for dealing with the disputes. Not much had been attempted to foster internal harmony and prevent relations becoming embittered on account of steps on either side, induced by lack of restraint and consideration and disregard

of inherent mutual obligations. The new endeavour is to move in three directions:—

- (i) positive measures to ensure that legal and contractual obligations of all sides are observed and adhered to;
- (ii) mutual recognition by the parties concerned of what they owe to one another and to the community and translating this into a set of dos and don'ts for the guidance of the conduct from day to day. This has taken the form of a Code of Discipline in the industry. A Code of Conduct has also been framed to assist trade unions belonging to different sections of the labour movement in the country in arranging their mutual relations on a more satisfactory basis; and
- (iii) laying down of norms and yard-sticks for settlement of various claims of the parties which should facilitate internal settlement and might furnish a well-considered basis for the authorities who may have to give decisions.

.....In industrial relations we can follow the way of peace or of conflict. In our conditions it cannot be both.....

We have evolved a system which aims at eliminating the strikes and lock-outs and makes provision for conciliation and adjudication if all efforts to bring about an amicable and mutual settlement have failed. A mutually agreed arrangement is always better than an imposed decision. This is well known. But in view of the risks of leaving industrial relations to be settled by a trial of strength in the conditions in which we are functioning in this country, all of us find that the present system has the balance of advantage in its favour.

CONCLUSIONS

17.1 Action Taken on the Decisions of the Sixteenth Session.

The Statement of action taken on the decisions of the previous session placed before the Conference should give more factual information than was being done at present.

17.2 Industrial Relations

A. MACHINERY FOR COLLECTIVE BARGAINING AND THE SETTLEMENT OF INDUSTRIAL DISPUTES

I. Recognition of Unions

(i) The procedure* for verification of membership of unions for the purpose of recognition and representation in Committees and Conferences as formulated at Naini Tal Conference and subsequently clarified* at the meeting of trade union representatives, held on 21 March 1959, was confirmed.

(ii) Where there is only one union, the employers may recognise it even if it does not fulfil the condition of 15 per cent. membership or of one year's standing.

* See Appendix IX.

(iii) Where there is more than one union and none of them fulfils the membership condition laid down in the Criteria for Recognition,* as evolved at Naini Tal, none would be entitled to recognition. The suggestion for recognising a union having the largest membership, but having less than 15 per cent. membership, was not favoured.

(iv) The words 'industry' and 'local area' occurring in Clause (3) of the Criteria for Recognition of Unions should be defined by the Government concerned. The provisions contained in the Industries (Development and Regulation) Act and other enactments might be examined for the purpose and the matter placed before the next meeting of the Standing Labour Committee.

(v) The question whether a representative union should represent also the technicians, the supervisory staff, etc. was postponed for further consideration in consultation with the interests concerned.

(vi) A union would be entitled to recognition provided it has committed no breach of the Code of Discipline for one year immediately before claiming such recognition.

(vii) When a union has been recognised there should be no change in its status for a period of two years from the date of such recognition, subject to the requirements of sub-clause (viii).

(viii) Failure to observe the Code would entail de-recognition normally for a period of one year. This period may, however, be increased or decreased by the Implementation Committee concerned. It would be open to the employer to recognise another union during this period provided it fulfils all necessary conditions for recognition.

(ix) In States where statutory provisions concerning recognition, etc. exist and they are at variance with the criteria provided in the Code of Discipline, the legal provisions will override the provisions of the Code till the State Government concerned modifies them.

II Validity of Agreements Reached Through Direct Negotiations Between the Parties

The consensus of opinion was that an agreement entered into by a representative union should be binding on all the workers. Opinion was, however, divided on the question whether the agreement should be ratified by the executive of the union or displayed on the notice board for the information of the general body of workers. It was, therefore, agreed that the existing position regarding the validity of agreements should remain unchanged for the present.

III Voluntary Arbitration

(i) Increased recourse should be had to mediation and voluntary arbitration and recourse to adjudication avoided as far as possible. Matters of local interest not having any wider repercussions should, as a general rule, be settled through arbitration.

*See Annexure to Appendix VIII.

(ii) While there would be no element of compulsion in the matter from Government, the employers agreed to extend their full co-operation in developing this new approach to settlement of industrial dispute through mediation and arbitration.

(iii) A panel of arbitrators should be maintained by the Central and State Governments in order to assist the parties in the matter of choosing suitable arbitrators. The parties, however, will be at liberty to choose arbitrators outside the panel.

(iv) The question how far the provisions of the Indian Arbitration Act could be usefully made applicable to the arbitration procedure provided under the Industrial Disputes Act, 1947, should be examined afresh by the Central Government.

(v) The principles and norms so far evolved through awards and judicial decisions on important issues should be compiled and published and made available for the guidance of authorities, parties and arbitrators.

(vi) Every case of refusal to have recourse to arbitration should be reported to the Evaluation and Implementation Machinery in the States or at the Centre, as the case might be.

IV *Model Principles for Reference of Disputes to Adjudication*

The following Model Principles were approved:—

A. *Collective Disputes*

(1) All disputes may ordinarily be referred for adjudication on request.

(2) Disputes may not, however, be ordinarily referred for adjudication—

- (i) unless efforts at conciliation have failed and there is no further scope for conciliation and the parties are not agreeable to arbitration;
- (ii) if there is a strike or lockout declared illegal by a Court or a strike or lockout resorted to without seeking settlement by means provided by law and without proper notice or in breach of the Code of Discipline as determined by the machinery set up for the purpose unless such a strike (or direct action) or lock-out, as the case may be, is called off;
- (iii) if the issues involved are such as have been the subject matter of recent judicial decisions or in respect of which unduly long time has elapsed since the origin of the cause of action; and
- (iv) if in respect of demands other legal remedies are available, i.e. matters covered by the Factories Act, Workmen's Compensation Act, Minimum Wages Act, etc.

B. *Individual Disputes*

Industrial disputes raised in regard to individual cases, i.e. cases of dismissal, discharge or any action of management on disciplinary

grounds, may be referred for adjudication when the legality or propriety of such action is questioned and, in particular —

- (i) if there is a case of victimisation or unfair labour practice;
- (ii) if the standing orders in force or the principles of natural justice have not been followed; and
- (iii) if the conciliation machinery reports that injustice has been done to the workman.

It was also agreed that the question of evolving a clearer definition of the term 'illegal strike' would be considered further.

V Revival of the Labour Appellate Tribunal

While the consensus of opinion was in favour of the revival of the Labour Appellate Tribunal, it was emphasised by some members that the mere existence of the Labour Appellate Tribunal could not by itself eliminate appeals being taken to the Supreme Court. Other suggestions made included the creation of a special Labour Bench in the Supreme Court and similar Benches in the High Courts, providing in the Industrial Disputes Act, a revision to the High Courts as under Section 115 of the Civil Procedure Code. It was also suggested that restrictions should be placed on appeals going to the Labour Appellate Tribunal by providing that no appeals should lie unless an important point of law or principle or a large sum of money was involved or the lower Courts certified that a particular case was fit for appeals.

It was decided that the views expressed would be examined and a final decision taken by Government after placing the whole matter again before the Standing Labour Committee.

VI Machinery for Dealing with Disputes Relating to Individual Dismissals, etc.

(a) Disputes relating to individual cases including dismissals should, as far as possible, be sponsored by a union.

(ii) In the absence of a union to sponsor such cases, or the union concerned declining to sponsor them, the aggrieved individuals might approach the Government conciliation machinery for redressal.

(iii) The Government official authorised for the purpose should be empowered to refer such cases to a labour court for adjudication.

VII Works Committees

A small tripartite committee consisting of four representatives each from the employers' and workers' side and a few representatives from the Government side would examine the material on the subject and draw up "guiding principles" relating to the composition and functioning, etc. of Works Committees.* This committee would also consider further action in respect of workers' participation in management.

*See Appendix X.

B. PROBLEMS RELATING TO TRADE UNION ORGANISATION

I Registration of Trade Unions

(i) Application for registration should be disposed of expeditiously. In practice it should not take more than three months to complete the procedure finally. All cases in which the period exceeds three months should be reported to the State Implementation Committees. For this purpose, the time taken by the applicant in carrying out any correction in the application forms will be excluded. The authority should indicate all the defects and mistakes in the application immediately at the time.

(ii) While no further restraint should be placed in the law regarding the minimum number of persons who must be shown as members for the purpose of securing registration, care should be taken by unions that the number does not fall short of 5 per cent. of the full strength of workers who can be brought into the union.

II Statutory Limit on the Number of Outsiders on the Executives of Trade Unions

(a) There should be no change in the existing legal provision in respect of statutory restrictions on the number of outsiders on the executive of trade unions.

(ii) Conduct of the affairs of trade unions should be placed more and more in the hands of persons drawn from the ranks of the workers engaged in industry; or who have had experience of actual work in industry. To facilitate the process, the following steps should be taken:—

(a) educational activity for the benefit of the workers and their children should be greatly extended and in this, besides the State, the unions and the employers should participate and assist as much as possible. An increasing number of scholarships should be provided for workers and their children. Evening classes and extension courses should be developed on a large scale;

(b) the work of trade unions and the Labour Departments of Governments and the undertakings should, as far as practicable, be carried on in the regional language so far at least as the workers themselves are concerned; and

(c) texts of laws, rules, orders, awards and agreements should, as far as possible, be made available to workers in the regional language.

(iii) The existing legal provisions on the subject of victimisation contained in the Industrial Disputes Act, the Bombay Industrial Relations Act and the proposed Madhya Pradesh Labour Relations Bill should also be examined with a view to providing further protection against any possible victimization, if necessary. The organisations would also give further thought to the problem and forward their suggestions to the Government of India for decision by the Standing Labour Committee or the Indian Labour Conference.

III Membership Fee

The proposal for making legal provisions in respect of a minimum fee of 25 naya Paise per month was accepted.

IV Rules and Constitution of Unions

The central organisations of labour will try to ensure that the unions affiliated to them carry out the provisions and requirements of their rules and constitution, especially with regard to the holding of meetings, election of office bearers and adoption of annual reports and statements.

V Decentralisation of the Work of the Registrars of Trade Unions

The proposal concerning decentralisation of the work of the Registrars and delegation of the powers of the Registrars to other authorities, viz. Additional and Deputy Registrars, with a view to avoiding delays in the registration of unions was approved.

VI Powers of Registrars of Trade Unions

It was decided that Registrars should have powers to inspect the account books, membership registers and minute books of the trade unions to verify the correctness of the annual returns. This inspection should, as far as possible, be done at a place within a reasonable distance (within city limits or within a distance of 10 miles, whichever may be more) from the office of the union concerned or at the union office itself.

VII Restrictions on the Number of Unions in an Industry or Undertaking that may be Registered

The consensus of opinion was not in favour of placing any restrictions on the number of unions that might be registered.

17.3 Service Conditions of Domestic Servants

(i) It was not considered feasible to adopt any legislative measure for the regulation of the service conditions of domestic workers.

(ii) The proposals* concerning the setting up of a special employment office in Delhi were unanimously approved. It was felt that experience gained from the working of this scheme in Delhi might provide the basis for further action in future.

(iii) As regards the composition of the Advisory Committee, as contemplated in the pilot scheme, it was felt that representatives of the central organisations representing domestic workers and their employers should also be included in the Committee.

*The proposals were: (i) a special employment office should be set up in Delhi as a pilot scheme to deal with the registration and placement of domestic servants. This office would function on the same lines as any other employment exchange and be administered by the Directorate-General of Employment and Training; (ii) there should also be an Advisory Committee consisting of the Director of Employment and Training, one representative each of employees and employers, a social worker and a member of Parliament; and (iii) the welfare of domestic servants would be the concern of a labour welfare officer to be appointed by the Delhi Administration.

(iv) It was also decided that the labour welfare officer and others connected with the administration of this scheme should collect, as far as possible, all the available data on the prevailing practice in respect of working hours, holiday facilities, rates of remuneration, dates on which salary was normally paid, period of employment and other privileges available so that further action might be planned on the basis of well-ascertained facts.

17.4 Pay Roll Savings Scheme

The Pay Roll saving Scheme* was approved subject to the following:—

- (i) the collection charges at one per cent. paid by Government on amounts collected in respect of the National Plan Saving Certificates should be utilised for distribution among the staff engaged in actual collection work and any balance left after such distribution, utilised for the general good of the employees; and
- ii) the Pass Books might be kept with the employer but these should be made available by the employer for inspection by the employees concerned during working hours.. The employee could also keep the Pass Book with him. if he wanted to do so;

A view was expressed that the collection should be made by a Government agency only and that the money collected should not be left with the employers.

17.5 Proposal to Revise the Rates of Compensation in the Workmen's Compensation Act, 1923

The Committee set up by the Conference to consider this item met at New Delhi on 5 September 1959 and adopted the following conclusions:—

- (i) the present system of payment of compensation in a lump-sum should be replaced by a system of periodical payments as far as practicable;
- (ii) the rates of compensation payable under the Workmen's Compensation Act, 1923, should be raised in accordance with the recommendations of the Study Group on Social Security;
- (iii) the implementation of the Employees' State Insurance Scheme should be expedited so as to cover the present coverable population as early as possible;

* The Scheme was to be based on a voluntary arrangement between employers and employees to facilitate regular investment of savings in Small Savings Securities. The features of the proposed Scheme were: (i) display of notices and distribution of pamphlets, posters, etc. by the employers and exhibition of films produced by the National Savings Organisation, (ii) formation of bipartite savings committees to obtain letters of consent from the employees for deduction of specific amounts from the wages for investment in Savings Securities, and (iii) arrangements to be made by the employers to collect and remit the moneys to the concerned authorities and to arrange for distribution of workers' pass books, certificates, etc. and (iv) for the services rendered in this connection employers would get collection charges at the rate of one per cent. of the amounts collected for investment in National Savings Certificates.

- (iv) the Employees' State Insurance Corporation would be the appropriate agency for the disbursement of the periodic payments of compensation as now contemplated; and
- (v) the scope of the Workmen's Compensation Act, 1923, might be extended so as to cover persons drawing wages upto Rs. 500 per month.

The question of introducing compulsory insurance to cover the risk of accidents was briefly discussed. The employers' organisations agreed to collect and provide full information regarding the present practice amongst their affiliates in the matter of taking up such insurance policies on a voluntary basis.

17.6 Delinking of Provident Fund Benefits from Gratuity for the Purpose of Granting Exemption to Establishments or Employees Covered Under the Employees' Provident Funds Act, 1952, from the Operation of the Provisions of Employees' Provident Funds Scheme, 1952

The Committee set up by the Conference to consider this item met at New Delhi on 5 September 1959 and adopted the following conclusion:—

The matter might be considered in the light of the proposals contained in the Report of the Study Group on Social Security. The representatives of employers as also of the Railways expressed opposition to the suggestion for any scheme of providing gratuity in addition to the provident fund on basic wages plus dearness allowance as at present available.

17.7 Other Matters

(1) Conference Decisions and Policy Followed by Government and Other Parties

It was agreed that the legislative and administrative policies of the Central and State Governments, and the policies of employers' and workers' organisations should not run counter to the broad lines of policy that may be adopted by the Indian Labour Conference from time to time after full tripartite discussions in the Conference. Proposals involving any new major point of policy or principle should generally be undertaken after consulting the Indian Labour Conference or the Standing Labour Committee.

(2) The Code of Discipline and the Public Sector

The workers' organisations desired that the Code of Discipline and other decisions taken in respect of recognition of unions, mediation and arbitration should apply to the public sector also with such adjustments as might be considered necessary. Facts regarding non-observance of these decisions in the public sector should be forwarded to the Ministry of Labour and Employment so that these could be taken up with the Ministries concerned.

(3) Representation on the Tripartite Bodies

A suggestion was made that some convention should be laid down regarding invitation to and participation by observers and

advisers in the work of the tripartite bodies. It was decided that the question of composition of the Conference and Committees be referred to a committee.

The Committee met at New Delhi on 5 September 1959 and adopted the following conclusions:—

(a) The present procedure in respect of representation and participation in discussion, as detailed below, was generally approved:—

- (i) *Delegates*—In giving representation to the workers' and employers' sides on tripartite bodies, parity is maintained between the two sides. Seats within the groups are allocated among the central organisations of workers and employers on the basis of their relative strength. All the State Governments are invited to send their representatives to the sessions of the Indian Labour Conference and the Standing Labour Committee. In the case of meetings of Industrial Committees, representatives of the Central Ministry and the State Governments concerned are also invited.
- (ii) *Advisers*—Each delegate is permitted to bring one official adviser. Requests are, however, received from time to time from the organisations to increase the number of advisers. Sometimes permission is given to bring in non-official advisers.
- (iii) *Invitation to Members of Parliament*—It was decided at the Standing Labour Committee, held at Bombay in October 1958, that some of the Members of Parliament on the Consultative Committee of the Labour Ministry might be invited to attend these tripartite meetings. For the seventeenth session of the Indian Labour Conference all the 64 members of the Consultative Committee were invited.
- (iv) *Invitees*—The Director, ILO, India Branch, is usually invited. Invitations have also been extended, at times, to individuals or representatives of organisations having a special interest in the particular subject to be discussed.
- (v) *Observers and Visitors*—Requests to attend meetings of these bodies as observers or visitors are considered on merit and permission given, wherever possible, subject to the availability of space and other facilities at the place of the meeting.
- (vi) *Participation in Discussions*—Both delegates and advisers participate in the discussions. As a matter of convention all decisions are taken by agreement and not by voting. Invitees and observers usually do not participate in discussions, but can be permitted to do so by the Chairman in his discretion. Non-official advisers are not permitted to participate.

(b) Organisations claiming representation on the Indian Labour Conference should have an all-India character with a minimum membership of one lakh spread over a number of States, and a

sizable membership at least in the majority of industries. The entitlement to representation on the Standing Labour Committee should be more restricted. The allocation of seats to each organisation should be based on the relative strength of each organisation determined in accordance with the latest available data regarding its membership. It was also agreed that observers, etc. should not participate in the discussions of the Conference. They might, however, speak on particular issues only with the specific permission of the Chairman if there are special reasons for the same.

(c) It was suggested that in addition to the present practice of permitting one adviser for every delegate, non-official advisers might also be allowed to attend the Conference depending on the number of important items on the agenda and taking into consideration the number of delegates and advisers already allowed to the various organisations. It was, however, agreed that an organisation having only one delegate might be allowed to bring one non-official adviser also. The consensus of opinion was not in favour of invitation to the members of the Informal Consultative Committee of Parliament and organisations, affiliated or not to the central organisations of workers and employers.

(d) It was agreed that the various suggestions made at the meetings should be taken into account by the Ministry of Labour and Employment while deciding these matters from time to time.

(4) *Preparation of Record of Proceedings*

The question of preparing a record of proceedings of the Conference was considered and it was felt that only a statement of the decisions and conclusions should be prepared. It was not considered necessary to prepare a summary of the entire proceedings. As far as practicable, the statement of conclusions of the Conference should be finalised by a small Drafting Committee and placed for adoption during the Conference itself and circulated to the organisations participating in the Conference.

(5) *Notice of Complaints*

Sufficient notice should be given to the parties concerned before any allegations or complaints are made against them in the Conference so that they may be in a position to collect the relevant facts and give an adequate reply to the charges.

(6) *Implementation of Recommendations*

It was felt that it would be in the spirit of the voluntary obligations evolved in this Conference if all the parties concentrated on the implementation of these obligations instead of levelling charges of violation against one another.

(7) *Delay in Setting up Implementation Committees*

The question of delay in setting up tripartite implementation committees in some of the States was raised by some workers' representatives. It was announced that the Governments of Bombay and Madhya Pradesh would immediately set up such committees.

EIGHTEENTH SESSION

(New Delhi, 24-25 September 1960)

Chairman—SHRI GULZARI LAL NANDA*Extracts from the Chairman's Opening Speech*

....The recent general strike of the Central Government employees.....is upper-most in the minds of many of the participants in this Conference.....The approach towards the remedial measures that may have to be adopted should secure the most beneficial arrangements for the employees, consistent with the requirements of social peace and economic progress of the country. On its side, the Government will be prepared to set right any deficiencies which may have come to light as a result of the recent experience.....The terrible hazards to which the Indian community was exposed must be obvious to every citizen. It has, therefore, to be the first care of the Indian nation that it should not be faced with such a crisis again.....Through the measures that are contemplated all the legitimate interests of the employees must be safeguarded along with the good of the whole people. This is what is intended to be done.

CONCLUSIONS*18.1 Industrial Relations in the Public Sector*

The discussions were mostly confined to the situation arising out of the Central Government employees' strike in July 1960.

The Chairman summed up the discussions as follows:—

.....The trend of opinion had on the whole been in line with the purposes which the Government had in mind. To some it might appear that the views expressed, reflected some kind of divergence in approach. But taking the general consensus of opinion in the Conference as a whole, there was no divergence in approach so far as the basic issue was concerned. There was agreement on the point that the country should, in no case, be made to pass again through an ordeal of the type it had during the last strike; that such a thing should not recur.

In the context of measures contemplated by Government reference was often made to the banning of strikes. . . . What was really intended by Government was to create a situation where strikes became unnecessary and superfluous. . . . the views expressed at the Conference were quite in line with Government's intentions in the matter. Apart from making strikes illegal in certain situations, Government proposed to provide suitable negotiating machinery at the departmental level somewhat on the model of Whitley Councils. Government had also accepted the principle of arbitration in cases of disputes between Government and its employees....Now, all these were really very substantial and positive measures. When these were effectively implemented, there might not be any need for any strike; strike would automatically get itself banned....It was also necessary to remember that there was nothing new in

Government's proposals to limit the right to strike in essential, etc. services. As it was, the Industrial Disputes Act already imposed restrictions on the right to strike in certain situations. The measures contemplated by Government were not intended to deprive workers of any of their rights as such. In fact, it was Government which was depriving itself of its freedom in certain respects. At present Government had the liberty to refuse arbitration. By accepting the principle of compulsory arbitration, they were in fact depriving themselves of this liberty.*

NINETEENTH SESSION

(Bangalore, 9—10 October 1961)

Chairman—SHRI GULZARI LAL NANDA

Extracts from the Chairman's Speech

.....I feel impelled to share with you a tentative endeavour to comprehend, however dimly, the desirable course of future developments in the relations between the community, industrial management and the working class. This may be considered as a very preliminary exercise in perspective planning in this field.....

The very well-known facts of the Indian economic situation are that vast masses of the people are without the means of satisfaction of their basic minimum needs of life and that the number of those who are either without gainful employment or are very inadequately employed is very large. Further, the manner in which the income and the wealth of the country is being shared reflects an order of inequality which appears to be excessive, untenable and lacking justification, in relation to any social or economic criteria.

The accent in our programme of industrialisation is related to the expectation that industry will become the major instrument for the solution of these problems. Actually, industry has not yet become sufficiently productive or widespread to make a substantial contribution to either raising the levels of living generally or making a real impact on the problem of unemployment and under-employment. It is realised that this would be a long-term process. The contention, however, is that the pace of progress now in these directions is much slower than it should be, allowing for all the limitations. In regard to the aspect of social justice, it is being felt that the egalitarian role of land policy symbolised by the ceilings on land holdings stands in sharp contrast to the contrary trends in the urban and industrial economy of the country. The prevailing sentiment is that concentration of wealth and income is increasing and disparities are widening.

India is in need of economic and social change—a great deal of it. There are two roads to the change—one through the compulsion of law or authority and the other through a process of voluntary transformation, the responsibility for which is assumed by groups or

* Other items on the agenda of the eighteenth session were: Industrial Accidents; Sanctions under the Code of Discipline; Extension of the Scheme of Joint Management Councils; and the Extent to Which Tripartite Decisions Should be Binding on Parties Concerned. These, however, were not discussed.

individuals in free association. In our industrial life, the stress is on the voluntary method. Workers' and employers' organisations have taken upon themselves to promote voluntary collaboration in an expanding range of functions. This is a vital process of decentralisation in industrial administration. The spirit which will inspire the advance in this direction is far more important than the forms which may be adopted from time to time. An industrial establishment in the public or private sector should function as a small community of which each member has rights as well as obligations, as a partner and all share a community of outlook. Each individual will thus be able to express and develop his personality and his contribution to the common well-being will be greatly augmented. Thus the content of democracy will be enriched and the energy of the masses become available for constructive purposes on a scale not hitherto conceived of. A common basis of unity for all the participants is the test of common good. A way of life which breeds conflict can only disrupt society. It is only a co-operative structure which can endure.....

We are so keen on making our economic life dynamic and obtaining a high rate of economic growth. There is need also for a more rapid rate of growth of our ideas and outlook....

CONCLUSIONS

19.1 *Productivity and Welfare*

The question of adopting a Code of Efficiency and Welfare was discussed. While the representatives of the INTUC were in favour of adopting such a Code, the AITUC representative was opposed to the idea of having any Code concerning productivity on the ground that workers had not secured so far their due share in the gains of productivity. The representatives of the HMS and the UTUC, while appreciating the idea underlying the Code, felt that the time was not yet ripe for introducing the same.

The employers' representatives pleaded for some time for studying the implications of the proposals contained in the Report of the Tripartite Committee*.

It was eventually agreed that a tripartite committee would be set up to discuss the whole matter. The committee would meet after three months, and formulate proposals for consideration, and meanwhile, the employers' and workers' representatives would study the Report.

The representative of the AITUC observed that his organisation would not participate in the proceedings of this committee. The *Chairman*, however, expressed the hope that during the intervening three months it would be possible for the AITUC to reconsider the position.

19.2 *Report of the Study Group on Social Security*

The consensus of opinion was that an Integrated Scheme of Social Security might not be started till increased resources were

*See para 05.1 at page 82.

available. To achieve integration increase in the rates of contribution under the Provident Fund Scheme and under the Employees' State Insurance Scheme upto the statutory limit would be necessary.

If a Pension Scheme was introduced, it would be necessary to make available to the workers the following benefits, viz. (i) a lump-sum payment, (ii) periodic payments, and (iii) survivorship benefits. The question of combining these benefits in due proportion and also of having a life insurance scheme would be further examined.

Members of the Provident Fund Schemes, present and future, should have the right to opt either for pension or for provident fund.

A detailed note in the light of the suggestions made at the Conference should be circulated to the parties and brought up for consideration before the next meeting of the Indian Labour Conference or the Standing Labour Committee.

19.3 *Reduction of Hours of Works in Hazardous Occupations*

After some discussion, it was agreed that all the safety measures recommended in the Reports on Hazardous Occupations should be tried out expeditiously and if minimum standards of safety were assured through these measures, it might not be necessary to reduce the hours of work. In spite of all the precautionary measures recommended in the Reports it was found that minimum standards of safety were not being secured, reduction in hours of work would have to be resorted to in the interest of safety.

19.4 *Representation of Technicians, Supervisory Staff, etc. By a Representative Union*

It was agreed that technicians, supervisory staff, etc. should be free to form their own unions to represent their interests. If, however, a majority of technicians, etc. are members of a general union and that union is a representative union, such a union would be entitled to represent the interests of technicians, etc. also.

19.5 *Rights of a Recognised Union Under the Code of Discipline vis-a-vis an Un-recognised Union*

The question was postponed for fuller consideration at a future session of the Indian Labour Conference or the Standing Labour Committee.

19.6 *Revival of the Labour Appellate Tribunal*

While the employers' representatives were in favour of the proposal to revive the Labour Appellate Tribunal, the workers' representatives were opposed to it. The State Government representatives were also generally opposed. It was, therefore, agreed that the Labour Appellate Tribunal need not be revived. However, the problem of delays in the disposal of cases would be studied and placed before the Standing Labour Committee for consideration.

19.7 Abolition of Contract Labour Where Feasible, and Ensuring Satisfactory Conditions for Contract Labour Where the Abolition of Contract Labour is Not Feasible

(1) The regular work of the establishment, i.e. work which is referred to in various enactments as work which is ordinarily part of the work of the principal employer, should, as far as possible, be done by the principal employer, with labour directly engaged. Contract labour will not be engaged in the type of work referred to in the Supreme Court Judgement* on this subject, namely, factories where—

- (a) work is perennial and must go on from day to day;
- (b) work is incidental and necessary for the work of the factory;
- (c) work is sufficient to employ a considerable number of whole-time workmen; and
- (d) work is being done in most concerns through regular workmen.

(2) Where this is not possible in work of the kind referred to above, standard rates of wages should be fixed either through legislation or by the terms of the contract and the principal employer should either make payment of the wages direct or remain responsible for seeing that wages are paid accordingly.**

(3) For workers other than those mentioned in (1) above, the principal employer should remain responsible for providing essential amenities, such as, drinking water, lavatories, urinals, washing arrangements, rest rooms, canteens, creches and first-aid, if need be, on terms which may be regulated by the terms of the contract.

(4) For other conditions of work of contract labour, such as, leave, holidays with pay, temporary housing, minimum wages, over-time, weekly rest day, payment on termination of service, etc. the contractor should be held directly responsible.

(5) Legislation may become necessary to enable the effective implementation of the measures mentioned above.

(6) Adequate inspection machinery may be provided to ensure effective enforcement of this legislation and other labour laws applicable to contract labour.

19.8 Compulsory Deductions of Part of Salaries of Industrial and Non-industrial Employees in the Public as well as Private Sectors for Investment in Government Securities under a Non-contributory Provident Fund Scheme

The present circumstances, particularly the proposed increase in the rates of provident fund contributions and other deductions, preclude the possibility of any further compulsory deductions from the workers' wages.

*Standard Vacuum Refining Co. of India Ltd. v. Their Workmen and Another, 1960(2) LLJ. 233—1960 S. C. 948=18 FJR 345:

**The employers did not accept the suggestion that the principal employer should make the payment of wages direct or remain responsible for seeing that wages were paid accordingly.

19.9 Working of the Implementation Machinery

(i) It was agreed that besides fixing responsibility for violations of the Code, Implementation Committees should, wherever necessary, bring round the contending parties and effect settlement with a view to reducing tension. They may also bring about out-of-court settlement of industrial dispute cases pending in courts with the consent of the parties.

(ii) It was agreed that complaints should be dealt with at appropriate levels. Complaints relating to the State sphere should invariably be made to the concerned implementation machinery. The central organisations agreed to issue instructions to their members in this respect.

(iii) The central organisations agreed to give their own assessment of the position while forwarding replies of their members to the implementation machinery.

(iv) It was agreed that for the purpose of defining the word 'industry' in Clause 3 of the Criteria for Recognition of Unions*, the classification of industries used by the Labour Bureau, Simla, would be adopted, and 'industry' would mean 'any business' trade, undertaking, manufacture or calling of employers including any calling, service, employment, handicraft or industrial occupation or avocation of workmen'.

(v) It was agreed that the words 'local area' occurring in Clause 3 of the Criteria for Recognition of Unions would be defined by the concerned appropriate Government.

(vi) It was agreed that State Governments would take suitable steps to improve and strengthen their implementation machinery for ensuring prompt disposal of complaints made to them, if possible within two months.

19.10 Report of the Sixth Session of the Committee on Conventions

While the Conference took note of the Report, a suggestion was made that the Report should be made more informative.

19.11 Convening of Meetings of Industrial Committees

The Conference recommended that those Committees which have proved effective and useful, e.g. those on Plantations, Coal Mining and Jute, should continue to function regularly, others may be convened as and when necessary.

It was also agreed to consider the suggestion for setting up an Industrial Committee on Inland Transport.

19.12 Amendments to the Industrial Disputes Act, 1947, and Clarification of Clause 2(iii) of the Model Principles for Reference of Disputes to Adjudication

These items should be further examined in the light of the discussions at the Conference and placed for decision at the next Session of the Standing Labour Committee.

* See Annexure to Appendix VIII.

ANNEXURE

SUB-COMMITTEE ON WORKERS' PARTICIPATION IN MANAGEMENT AND DISCIPLINE IN INDUSTRY*

FIRST MEETING

(New Delhi, 6 August 1957)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

Workers' Participation in Management

01.1 *Criteria for Selection of Undertakings for Introducing the Scheme of Joint Management Councils*

There was unanimous agreement that, to begin with, the experiment on Workers' Participation should be confined to the level of the undertaking. The following criteria for selection of undertakings were agreed to:—

- (i) the undertaking should have a well-established, strong trade union functioning;
- (ii) there should be a readiness in the parties, viz. employers, workers and the union, to try out the experiment in a spirit of willing co-operation;
- (iii) the size of the undertaking (in terms of employment) should be at least 500 workers. [The representative of the Ministry of Railways suggested that a few units with less than 500 workers might be tried in the pilot stage to make it easier to watch the impediments and rectify them. It was agreed that three or four such units might be taken up in addition to those contained in the agreed list];
- (iv) the employer in the private sector should be a member of one or the other leading employers' organisations; so should the trade union be related to one of the central federations; and
- (v) the undertaking should have had a fair record of industrial relations.

01.2 *List of Industries/Undertakings Where the Scheme is to be Introduced.*

The Sub-Committee approved a tentative list of industries and the number of units in each industry to be initially covered by the scheme of joint management councils. The employers' representatives agreed to give, in consultation with local labour unions, and within a month, a list of undertakings where the scheme could be promoted.

*Set up by the Indian Labour Conference at its fifteenth session—See Ch. I paras 15.1 and 15.7.

01.3 Panel of Experts and Calling of a Seminar

The Sub-Committee approved the suggestions made in an office note as regards the constitution of a panel of experts and the calling of a Seminar. It was agreed that there should be a promotion unit or squad for giving the various joint councils in undertakings on-the-spot guidance. It was emphasised that in the initial stages of a new and vital experiment like this, over-all guidance and coordination should come from the Centre; though, at a later stage, it might be appropriate to transfer the burden to the States. It was pointed out that the Government could spare its officers only to some extent by way of supplementing the efforts of experts whom the employers and unions should themselves come forward to spare. Representatives of employers' and workers' organisations agreed to supply Government with a list of experts (about 10 on each side) who have day-to-day knowledge of handling labour problems at the unit level and to inform Government as to the particular help that these experts could give and the areas in which their advisory services could be availed of.

The Sub-Committee approved the idea of inviting employers' and workers' representatives on joint councils in the selected undertakings to a Seminar under the auspices of the Ministry of Labour for settling details of the programme and the phases in which it should be implemented. The persons on the panel suggested in the earlier paragraph would also be requested to participate.

01.4 Draft Model Agreement

The Sub-Committee approved the Draft Model Agreement regarding establishment of Joint Councils of Management with the addition of a clause (vi) under item 7 to read "and any other matter" and with the proviso that contents of item 5 might be varied in accordance with local circumstances.*

01.5 Other Matters

The questionnaire prepared for the use of the Sub-Committee was discussed and the following conclusions were arrived at:—

- (i) The question of Joint Councils having separate sub-committees or technical committees to deal with different subjects was left to the option of the parties at the undertaking's level.
- (ii) During the period of the experiment it was agreed that the employees' representatives on the Joint Council should be nominated by the trade union concerned. At a later stage, the intermediate method of submission of a panel of names by the trade unions might be considered.
- (iii) It was recommended that the bulk of employees' representatives should be workers themselves; though, if the wishes of the local trade unions were to the contrary, these wishes should not be over-ridden. In any case, not

* For the text of the Model Agreement see Appendix XI.

more than 25 per cent. of the employees' representatives on the Joint Councils should be outsiders. The question of how many outsiders were to be entertained within this upper limit and in what capacity was left to local option.

- (iv) If it is decided to constitute technical committees or sub-committees their constitution should be decided according to need and situation.
- (v) Where technical committees or sub-committees are constituted, outsiders may be permitted to sit on those.
- (vi) The size of the Joint Councils should be restricted to twelve persons.
- (vii) Any member of the Joint Council could bring forward items for discussion.
- (viii) Joint Councils should meet during working hours.
- (ix) The Worker Members of Joint Councils should be compensated for loss of earnings; but nothing more need be given by way of remuneration.
- (x) There should be provision for recall of members on the Joint Councils.
- (xi) The Worker Members on Joint Councils should function as representatives.
- (xii) The question of placing at the disposal of Joint Councils a minimum percentage of wages or of income or of profits for welfare work should be settled at the level of the undertaking—though it was agreed that some provision should be made for this purpose.
- (xiii) Whether chairmanship of the Joint Council should be fixed or alternating should be left to local agreement.
- (xiv) All necessary facilities for the work of Joint Councils should be provided by employers.
- (xv) Decisions in the Joint Councils should be arrived at by agreement.

SECOND MEETING

(New Delhi, 27 August 1957)

Chairman—SHRI VISHNU SAHAY

CONCLUSIONS

DISCIPLINE IN INDUSTRY

02.1 Code for Discipline in Industry

A draft code for discipline in industry was approved. The Sub-Committee agreed that the Code drawn up by it should be sent to the Standing Labour Committee or the Indian Labour Conference for approval*. The Code should be widely publicised and resolutions supporting the Code should be adopted by employers' and

*The text of the Code is given in Appendix VIII.

workers' organisations. Members of the Sub-Committee agreed to send in their suggestions in regard to evolving (i) a satisfactory grievance procedure, and (ii) an appropriate machinery for ensuring the implementation of the Code. The Labour Ministry undertook to circulate a note on current position about grievance procedures.

The Chairman laid emphasis on the importance of arranging for a machinery which would ensure the effective implementation of the provisions of the Code. He felt that thought should be given to conditions which would make the Code effective and that any machinery set up to supervise implementation should not be allowed to degenerate into a mere conciliating body. He also felt that all complaints regarding lapses in implementing the Code could not be handled at the top level. It might, therefore, be necessary to have regional committees or local committees. Whether there should be official or non-official chairmen for these committees would be decided later.

02.2 Other Matters

(i) The Sub-Committee recognised that (a) Government machinery had to be brought in to ensure effective implementation, and (b) a re-appraisal had to be made to find out as to how far the Model Standing Orders needed revision in the light of the current concept of labour relations. It was agreed that Government should write to all States to check up whether the Standing Orders existed in all establishments and were being complied with. It was also agreed that a copy of the existing Model Standing Orders should be circulated to members who might suggest amendments. It was recognised that the Model Standing Orders should be altered to suit local conditions.

(ii) Regarding institution of an enquiry in case of violent incidents, the Sub-Committee felt that while a judicial enquiry fixed the responsibility for the crime and indicated the punishment, the larger aspects of the whole matter including the causes which culminated in unrest and violence could only be brought out through a sociological enquiry. The sub-committee agreed it was essential to have the latter type of enquiry in cases where longstanding danger to discipline was apprehended.

(iii) Regarding case studies, it was agreed that these might be entrusted to tripartite boards or social education institutions, Governments or any other appropriate authority competent to handle such studies. It was not necessary to specify one single agency for the purpose.

THIRD MEETING

(New Delhi, 14—15 March 1958)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

03.1 Questions Arising Out of the Code of Discipline

The Chairman referred to his recent discussions with some of the labour leaders and their misgivings in regard to the Code of Discipline. It was pointed out by him that at no stage was there any

intention of drawing a distinction between the public and private sectors so far as the Code was concerned. He also said that the procedure followed by Government for giving representation to different labour organisations had been straightened out. In case it was not possible to give a central organisation representation on a particular committee, it has now been decided that such an organisation would be invited as an observer to the committee.

As to the question of the obligations of an unrecognised union to the Code of Discipline, he felt that if such a union indulged or incited or supported any act which was against the principles of the Code, the necessary consequences would follow.

To a specific question regarding the Code of Discipline and the workers' right to strike, he replied that the right to strike should be exercised only as a last resort when the machinery provided in the statute and all other measures for reaching a compromise failed.

The parties agreed that with the clarification now received the Code would stand ratified. They, however, wanted the above clarifications to be recorded.

03.2 Draft Grievance Procedure

It was decided that only guiding principles for a Grievance Procedure should be drawn up at that stage and be referred to the employers' and employees' organisations for comments. The draft of the Grievance Procedure should be modified in the light of the comments received and placed before the next meeting of the Sub-Committee.

FOURTH MEETING

(New Delhi, 19 September 1958)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

04.1 Grievance Procedure

The Model Grievance Procedure placed before the Committee was approved subject to certain amendments*.

04.2 'Workers' Participation in Management

The representative of the A.I.M.O. revealed that the Bombay Mills Ltd., the Malleable Iron & Steel Castings (P) Ltd., and the Devidayal Cable Industries (P) Ltd. had already implemented the scheme and agreed to send details to the Ministry. A few instances of friction between labour and management in the final arrangements for joint councils were brought to the notice of the Sub-Committee. It recommended that the good offices of the Panel of Experts maintained by Government should be used to settle these differences. A list of Panel members should be circulated to all the participating units.

*The text of the Model Grievance Procedure as finally adopted is given in Appendix VI.

FIFTH MEETING

(New Delhi, 8 December 1959)

Chairman—SHRI GULZARI LAL NANDA**CONCLUSIONS****05.1 Code of Efficiency and Welfare**

While there was general agreement between the various representatives in regard to realising the objectives behind the proposed Code of Efficiency, the consensus of opinion was that the matter needed detailed discussion in the light of the needs of the industry and the employees and that the introduction of the Code of Efficiency at this stage was rather premature. Attempts should be made to implement the Code of Discipline fully and wholeheartedly by both the employers and employees and all impediments to the implementation of Code of Discipline should be removed. The question of trying out the Code of Efficiency on a pilot basis in selected units should also be considered. These and other related matters, like production, productivity, efficiency, existing efficiency schemes, etc. should be discussed in a seminar in due course. To enable competent discussion, all available material on these subjects should be collected and made available to the participants. For this purpose it was decided that a small committee consisting of Sarvashri V.K.R. Menon, B. N. Datar, P. Chentsal Rao, S.C.C. Anthony Pillai and a representative of the West Bengal Government should be constituted. The main function of this committee would be to prepare the background material for the proposed seminar.



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CHAPTER II

THE STANDING LABOUR COMMITTEE

FIRST SESSION

(New Delhi, 30 November—1 December 1942)

Chairman—DR B. R. AMBEDKAR

CONCLUSIONS

1.1 *Wartime Labour Legislation: Determination of Terms and Conditions of Service in Regulated Employments*

There was a general discussion on the working of wartime legislation affecting labour. It was pointed out that only a few Provinces had framed rules under Section 6 of the Essential Services (Maintenance) Ordinance requiring employers to observe prescribed terms and conditions of service. Also, under Section 7 of the Ordinance certain employers had been authorised in one Province to start prosecutions. Another complaint was that, under the National Service (Technical Personnel) Ordinance, employers in some cases could give notice of discharge while a worker had to seek a Tribunal's permission for leaving his employment. The Tribunal's power to permit wage increases only upto ten per cent. also came in for criticism.

In summing up the discussion the *Central Government representative* observed as follows:—

Judging from the views expressed at the meeting it seemed that the machinery [of wartime labour legislation] had worked well....

They [Government] would, [however], see if anything could be done at the Centre to bring about uniformity in the rules under Section 6 [of the Essential Services (Maintenance) Ordinance].

The question of the persons to be authorised under Section 7 [of the Ordinance] to prosecute was under consideration of the Central Government.

An amendment [to the National Service (Technical Personnel) Ordinance] to put employers and employees on equal footing was [also] under consideration.

The rule under which the Tribunals could not increase wages beyond 10 per cent. was only of limited application. It applied only where a worker had been refused permission to leave employment by the Tribunal and enabled the Tribunal to prescribe wages 10 per cent. in excess of those ordinarily obtainable in neighbourhood by a man of that level of skill. In cases of actual transfer many technical personnel were granted up to 20 per cent. extra wages and in some cases even 30 per cent.

1.2 Production

(i) Procedure for Settlement of Disputes

The Central Government representative observed as follows:—
....The suggestion for issue of instructions for adjudication was worth considering though there was the difficulty in attempting to frame rules that these might hinder rather than help adjudication.

He did not agree to (the) suggestion for making adjudication compulsory.....

[The suggestions that more powers should be given to conciliators under Section 18-A of the Trade Disputes Act, and that the scope of Section 6 of the Essential Services (Maintenance) Ordinance should be made more comprehensive would be further investigated].

(ii) Technical Training Scheme

The Central Government representative observed as follows:—

The suggestion that trainees should be put on work in factories, after coming out of Government institutions had always been favoured by Government in so far as factories could be got to agree to it. The number of people required for employment in factories was only a small proportion of the total of 70,000. Factories had been and would continue to be used for additional training but the main source of training, at any rate initially, were training institutions of Government.

1.3 Earnings of Labour

There was some discussion on the facilities of introducing (i) uniform practice in the payment of dearness allowance and (ii) methods of savings like deferred bonuses. No specific conclusion was, however, adopted.

1.4 Labour Welfare

The Central Government representative made the following observations:—

The suggestion that a welfare trust fund should be built up to provide for housing, education, and medical care would be considered.....

The War Injuries Insurance Scheme was an insurance scheme and there was no intention of Government reinsuring the risk with insurance companies. He found it difficult to give any undertaking in advance as to what Government proposed to do at a future date (which may be pretty far-off) with money which he was even inclined to view as really coming for the most part from Government itself.....

....It was difficult for Government to anticipate..... what the premium would be but he promised to act on the best actuarial advice and try to keep the advance against the final premium as near as possible to the risk. He hoped that the final post-war adjustment would not make any serious alteration.

1.5 Rounding Off Wage Payments in View of Shortage of Small Coins

Several suggestions were made on the method to be followed in rounding off wage payments. No agreed conclusion was, however, adopted.

1.6 Procedure

A tripartite Sub-Committee* was constituted to examine and report on all questions relating to procedure including (i) the question of framing resolutions, (ii) voting at the Plenary Conference and the meetings of the Standing Labour Committee and (iii) the position of advisers**.

SECOND SESSION

New Delhi, 25 January 1943)

Chairman—DR B. R. AMBEDKAR

CONCLUSIONS

2.1 Supply of Essential Food Articles to Labour

The Committee adopted the following Resolution:—

- (i) In order to relieve the strain on and overcrowding in Government grain shops, distribution should be through employers' grain shops in the case of factories employing more than 50 workers and there should be an adequate number of shops;
- (ii) It is considered desirable that employers should associate members of recognised trade unions or other representatives of employees in the working of such shops;
- (iii) Such shops will be open to inspection by a government agency;
- (iv) Supplies should be to employees by a provincial agency—
 - (a) through large associations, when existent, for their shops within the province, and
 - (b) direct to factories when factories are not members of such associations;
- (v) Employers' shops should sell whatever commodities appear necessary and in any case more than rice, sugar and wheat; and
- (vi) Co-operative grain shops of industrial labour should be encouraged and they should be supplied in a manner

* The Report of the Sub-Committee was placed before the third session of the Committee and later before the fifth session of the Indian Labour Conference.

**Another item on the agenda of the first session was: Industrial Statistics Act: Collection of Information regarding Wages, Hours of Work, etc. This, however, was not discussed.

similar to that in which employers' shops are supplied in the various places.

2.2 Joint Adjudication Under the Defence of India Rule 81-A

Views were expressed on the proposal to amend the Defence of India Rules in such a way that the adjudication proceedings and award connected with a dispute in one undertaking might cover other similar undertakings in the neighbourhood. No specific conclusion was, however, adopted.

2.3 Deferred Bonuses

Views were expressed on the proposal that 50 per cent. of the bonus should be payable in a Defence Saving Account to be opened in the Post Office in the name of the worker concerned. No conclusion, however, was adopted.

THIRD SESSION

(Bombay, 7-8 May 1943)

Chairman—DR. B. R. AMBEDKAR

CONCLUSIONS

3.1 Report of the Procedure Sub-Committee

The Report submitted by the Sub-Committee contained a number of minutes of dissent.

The Chairman stated that most of the differences set out in the minutes of dissent had been resolved at a meeting of the members of the Sub-Committee held on 6 May 1943*.

3.2. Fair Wage Clause in Government Contracts

Suggestions made during the discussion included the following: (i) introduction of such a clause not only in the P.W.D. contracts but also in other contracts, particularly "in places where labour is scattered and disorganised"; (ii) payment of dearness allowance and application of all labour laws to contract labour; and (iii) inclusion of a provision permitting wages to be five per cent. less than Government rates.

The Central Government representative summed up the discussion as follows:—

There is greater need for the fair wage clause as regards wages in connection with disorganised industries. As regards the point that fair wages should include dearness allowance, etc., it must be remembered that the contract rates are usually fixed at a time at which the cost of goods is known and the wage fixed for the unskilled labour is probably comprehensive and takes into account the rise in commodity prices. That comprehensive wage includes dearness allowance. In regard to the provision permitting wages

* The Report was adopted at the fifth session of the Indian Labour Conference.

to be five per cent. less than Government rates, there is a general feeling in some departments that the rates they pay are higher than the market rates. They feel that certain works, if given out to contractors, can be done cheaper.

3.3 *A Plan for Labour Legislation and Labour Welfare During Wartime*

Views were expressed on the labour policy in respect of (i) social security, (ii) wages and (iii) welfare to be followed during wartime as well as in the post-war period.

The Chairman said that the Government of India had already appointed a Reconstruction Committee which had got several sub-committees dealing with different subjects. One of the sub-committees would undoubtedly be dealing with labour problems of general interest.

3.4 (i) *Joint Production Committee*; (ii) *Labour Officers in Industrial Undertakings*

(i) *The Central Government representative* summed up the discussion as follows:—

The general view of the Committee seems to be that the Joint Production Committees will not be quite acceptable. The idea seems to be more in favour of Works Committees.

(ii) It was announced that the Central Government was going ahead with the appointment of Labour Officers.

3.5 *Working of Defence of India Rule 81-A*

Views were expressed on the following points:

- (i) whether reference of a dispute to adjudication should be compulsory in certain circumstances;
- (ii) whether each province should have a permanent machinery for adjudication;
- (iii) whether the Central Government should prescribe a skeleton procedure code for adjudication proceedings;
- (iv) whether there should be some prescribed time limit within which adjudication must be concluded;
- (v) whether orders should be issued providing that workers should not be discharged without the consent of the adjudicator during the pendency of adjudication proceedings; and
- (vi) whether the Central Government should prepare a digest of the results of adjudication proceedings.

While there was no unanimity of view in respect of (i), (iv) and (v) the consensus of opinion was in favour of (ii) and (vi). With regard to (iii) also the discussion showed that Government should lay down the points in their adjudication order.

3.6 *Employment Exchanges for Skilled and Semi-skilled Personnel and the Question of Prohibiting Advertisements for Such Classes*

The Central Government representative summed up the discussion as follows:—

There was fairly general agreement that the Government of India should proceed with the establishment of employment exchanges with no compulsion on either side in the matter of registration. The Government of India accepted the suggestion that there should be a representative of the Provincial Governments on the Advisory Committees attached to the proposed exchanges.

He welcomed the general approval of the proposal to prohibit advertisements for technical personnel.

3.7 *Industrial Statistics Act, 1942*

There was general agreement that statistics of (i) wages and earnings and (ii) hours of work should be collected for certain selected industries on an all-India basis. Some suggestions were also offered in respect of the following: (i) the form in which such statistics should be collected, (ii) the periodicity of returns, (iii) the issue of instructions explaining precisely what information was required, and (iv) the industries which might be covered in the first instance.

FOURTH SESSION

(Lucknow, 25-26 January 1944)

Chairman—DR. B. R. AMBEDKAR

Extracts from the Chairman's Speech

.....I would like to report to the Conference the action which Government has proposed to take on certain points, which were points of procedure and which were raised at the Plenary Labour Conference held in September 1943.

Some of you will recall a point was raised as to the position of an adviser and as to his right to speak even when the delegate whom he accompanied had spoken on a matter on the agenda. The view of the Government is that no change is necessary in the procedure which is at present in existence.....there is no bar placed against an adviser taking part in the debate in the Standing Labour Committee. The matter is left to be regulated in the hands of the Chairman and....all that is necessary is that if the adviser wishes to take part in the discussion, the delegate may make a short reference to the subject and leave the matter of elucidation of it to the adviser who presumably is more fully acquainted with the subject than the delegate.....the view of the Government is as fluid as it ought to be and I do not think that the present procedure will in any way debar the delegate from asking the adviser to speak when he thinks that the adviser would do better than himself.

The second point that was raised last time was that the meeting should be open to the public. On that point the Government view is that it ought not to be open to the public. The necessary amount

of publicity is guaranteed under the present rules and....Government has undertaken to lay the proceedings of the Conference and of the Standing Labour Committee before the Legislative Assembly. It is open to the Legislative Assembly to discuss the proceedings by a motion. I think that amount of publicity is sufficient for the present moment at any rate.

The third point was the right to frame the agenda. It was suggested that the agenda should be framed by the Conference, that the Government may add to the agenda but may not delete any item from the agenda as framed by the Conference. Now on that point the view of the Government is that in the present stage of the growth of the tripartite machinery we should have no hard and fast rule with regard to the preparation of the agenda.....the present position is that the Government decides what items should be placed on the agenda with special consideration as to whether Government is prepared at that stage to consider any matter as being ripe for discussion by the Committee and it may not be possible for Government to admit any item in the agenda, suggested by any member of the delegation, which Government thinks is unripe. The position therefore should remain as at present....

And the last point that was raised was with regard to the appointment of a substitute delegate to the Plenary Conference and to the Standing Labour Committee. The issue as presented was whether the appointment of a substitute should be left to the delegate or should rest with the organisation which has chosen the delegation. It was suggested that the appointment of a substitute should rest with the organisation and not with the delegate. The Government of India, I am glad to say, is in agreement with that view.

CONCLUSIONS

4.1 Statutory Wage Control नकामन नयन

The Central Government representative summed up the discussion as follows:—

There was a fair body of opinion in favour of some form of minimum wage for regions, but the enforcement of that minimum wage is a matter of very great importance. If we are going to fix a minimum wage, we must be able to enforce it and it means a vigorous and fairly large inspectorate which will have to direct its work more to people who are less likely to conform to that minimum, i.e. small industries.

In large industries, with an employers' association covering most of the employers like the Jute Mills Association, if there was a collective agreement between employers, the Association would be able to enforce that decision on the majority.

The third point was about the standardization of definitions of trades and Government would welcome the assistance of the employers' associations in this respect.

4.2 Scheme for the Establishment of Employment Exchanges

The Chairman said that the memorandum put up before the Committee was mainly for information and members of the meeting

might throw light on the subject of employment exchanges within their respective provinces, about which they were in a position to speak.

No specific conclusion was adopted on this subject.

4.3 *Model Provident Fund Rules*

The draft Model Rules placed before the Committee were approved with certain modifications.

4.4 *Canteens for Workers*

The members shared their experience in regard to the opening and running of canteens in their respective areas.

The consensus of opinion was against the running of canteens by contractors. Some of the representatives also urged that workers should be associated with the management of canteens. References were also made to (i) the difficulties involved in securing accommodation for canteens, (ii) running of canteens by the workers themselves on a co-operative basis, (iii) sharing of the cost of running canteens by employers, etc. No specific conclusions were, however, reached in respect of these matters.

4.5 *Report of the Committee on Dearness Allowance**

The Central Government representative summed up the discussion as follows:—

.....The general trend of the Gregory Committee's report is that dearness allowance should compensate in full the low wage earner. On this basis there would be some difficulty in attempting to justify different basic wages for different industries at which compensation may be given in full.

The suggestion that the Standing Committee should refer the report to Government has been accepted with the recommendation that general principle should be laid down by Government to the maximum extent possible. The suggestion that the report should be kept confidential and it should be left to Government to decide what to do with it has also been accepted.

4.6 *Absenteeism*

There was some discussion on the draft scheme for a sample survey of absenteeism placed before the Committee.

The Central Government representative summed up the discussion as follows:—

Government would carefully consider the views but all the comments about sampling may not be acceptable. Government would go ahead with the proposal taking into account the views expressed and simplifying the survey as much as possible.

4.7 *Maintenance of Records of Service of Industrial Workers*

The proposal concerning the maintenance of service records of industrial workers was generally approved. It was decided to appoint a Committee to go into the question of forms and cards in which the service records should be maintained.

* See Appendix I.

4.8 *Amendment of the Factories Act Consequent Upon the Change* in the Indian Standard Time*

The proposal to amend the sections 3, 45 and 54 of the Factories Act, 1934, which contained a reference to the time of day was approved.

FIFTH SESSION

(New Delhi, 27 June 1944)

Chairman—DR. B. AMBEDKAR

CONCLUSIONS

5.1 *The Indian Trade Unions (Amendment) Bill, 1943*

A copy of the Bill as introduced in the Central Legislative Assembly and circulated for eliciting opinion was placed before the Committee. The Bill sought to provide for compulsory recognition of trade unions under certain conditions and covered other related matters.

There was a discussion on the underlying principle and the proposed provisions of the Bill but it did not lead to any agreed recommendation.

5.2 *Draft Rules Under the Industrial Statistics Act, 1942, for Collection of Statistics of Trade Disputes*

(i) The Statistics Act should be amended to provide that by a general notice the Government may call for a return from the employer and that if the employer did not submit a return in accordance with that notice, Government might serve a notice on him, and therefore he would be liable to all the penalties in case of default.

(ii) A suggestion was made that the existing forms in which statistics from tea gardens were being collected and which were simpler, might be continued. It was agreed that the Central Government would try to see whether uniformity could be obtained without material alteration of the tea garden forms.

5.3 *Monetary Compensation to Workers Who Have Been Refused Leave*

No conclusion was adopted on this item.

SIXTH SESSION

(New Delhi, 17 March 1945)

Chairman—DR. B. R. AMBEDKAR

CONCLUSIONS

6.1 *Report on Health Insurance for Industrial Workers*

There was general agreement that the Central Government should go ahead with the preparation of a Health Insurance Scheme applicable to all perennial factories using power and employing 20

* The proposal was to adopt the Indian Standard Time 6½ hours ahead of Greenwich Mean Time which became effective from the midnight of 31 August—1 September 1942.

more operatives. It should cover employment injuries and maternity benefits if found feasible. The scheme should be circulated to Provinces and employers' and workers' organisations before a Bill was prepared.

6.2 *Changes in the Constitution and Functions of the Tripartite Organisation*

It was agreed that a small Tripartite Sub-Committee* should be appointed to examine the various proposals on the subject, particularly those placed by the Chairman before the sixth session of the Indian Labour Conference held in New Delhi on 27-28 October 1944.

SEVENTH SESSION

(New Delhi, 28 August 1945)

Chairman—DR. B. R. AMBEDKAR

CONCLUSIONS

7.1 *Report of the Sub-Committee on the Constitution of the Tripartite Organisation†*

The Chairman observed that the Committee would be informed, after the Government had examined the report of the Sub-Committee, about the suggestion which they were prepared to accept and give effect to. He suggested that the matter might be left at that stage.

One of the workers' representatives suggested the establishment of permanent Industrial Committees on the lines of the ILO.

7.2 *Industrial Housing and the Responsibility of the Employer in Connection Therewith*

It was decided to appoint a Sub-Committee** on the subject with the following terms of reference:—

- (a) Whether there should be a building fund for the housing of workers and the manner [in which] it can best be raised, and in particular the manner in which the cases of those employers who have already provided housing can be dealt with: (b) the basis on which the worker can be required to pay rent; (c) the minimum standards required for workers' houses; (d) the most suitable manner of administering any funds which will become available (whether from Government, employers or

* The Report of the Sub-Committee was placed before the seventh session of the Standing Labour Committee held in August 1945. See para 7.1.

†For the text of the Report see Appendix II. Also, see the Chairman's speech at the seventh session of the Indian Labour Conference in Ch. I.

**Its report was placed before the ninth session of the Standing Labour Committee. See Ch. II, para 9.6.

workers) for the housing of workers; and (e) the facilities that are required to be granted by the Central and Provincial Governments and local authorities to facilitate the housing schemes of workers.

7.3 Amendment of the Workmen's Compensation Act, 1923—Definition of 'Workmen' (Wage Level)

The proposal to raise the wage limit for purposes of coverage from Rs. 300 to Rs. 400 per month was approved.

7.4 Draft Rules Under the Factories (Amendment) Act, 1945, Relating to Holidays With Pay

The draft Rules were discussed in some detail. Particular difficulties in observing some of the proposed rules were pointed out.

The Chairman remarked that he had known the points of view of different sides and would see what could be done to overcome these difficulties.

EIGHTH SESSION

(New Delhi, 15-16 March 1946)

Chairman—DR. B. R. AMBEDKAR

CONCLUSIONS

8.1 Amendments to the Trade Disputes Act

In winding up the discussion the Central Government representative made the following points:—

The question of imposing a time-limit for conciliation and adjudication proceedings was under consideration though it would be difficult to limit these to one fortnight only.

It was really intended....to allow a discretion to provincial governments in the matter of enforcement of the award of an Industrial Court. Governments would ordinarily respect the findings of such a body. Too much interference with provincial Governments would be incompatible with provincial autonomy.

As regards the cancellation of the registration of a Union.... the Registrar had such powers under the Trade Unions Act, or the Trade Disputes Act itself could also be suitably amended.

Regarding the suggestion of employers' representatives to follow the Bombay Act, the Act did not make the fundamental distinction between public utility and other concerns. The case of public utility concerns was quite different, especially when breach of peace was apprehended. Government had no fundamental objection to adopting the Bombay procedure for industries and establishments other than public utility undertakings. The provision of compulsory adjudication in case of public utility concerns was based on the principle that if a notice was demanded from workers, obligation for giving a final settlement must be accepted.

Notice could not be provided for all disputes as desired by employers. The breach of contract between the employers and the workers was a civil wrong, for which the remedy should be through a civil court. Moreover, to check abrupt breakage of contract, the trade union machinery was being so strengthened as to make registration a privilege. No civilised country had any more powerful method of compelling a man to stand by this contract. Besides, the Payment of Wages Act authorised employers to deduct wages if an employee left without notice. Finally, the proposed legislation will merely rectify an omission in the Act of 1929 by providing compulsory settlement where notice had been made obligatory.

Government hoped to convene a small sub-committee during summer to consider the draft Bill. Suggestions in the matter would always be welcome. Government could not, due to shortage of time, undertake to circulate the Bill to different bodies. Rule 81-A under the Defence of India Rules would expire on October 1 and it was impracticable to attempt an extension beyond that date.

8.2 *Review of Employment in Industry and the Extent to Which Unemployment is Likely to Occur*

In summing up the discussion the Central Government representative observed as follows:—

The unemployment problem was linked up with the whole industrial policy of the Government of India. A single department could not deal with the matter. It was primarily a matter for the Planning and Development Department.... As regards the collection of statistics, Statistics was a concurrent subject. For the moment the Centre was handicapped and could not compel Provinces. As regards relief for involuntary unemployment, there were no Central orders. So far as the Employment Exchange machinery was concerned, the machinery had been set up on the basis of ILO principles adopted at Philadelphia. The machinery had been in existence only for last five months. Several international organisations had spoken favourably of the machinery. The Employment Exchanges were becoming popular amongst workers and employers. Local Committees representing workers and employers had been set up to associate public opinion with the organization. The All India Employment Advisory Committee and similar regional committees would also be set up soon..... So far there has been no criticism on the basis on which the Organisation was planned nor had any suggestions come forward for improving the set up. Constructive criticism would be most welcome to the Government. The labour units, organised by the Labour Department from Gorakhpur and Madras, had also been brought under the scheme. Though at present all categories of employment were not catered for by the employment exchanges, it was expected that in future they would embrace all industrial workers. The Government undertook to publish available information of discharges and employment.

8.3 *Possibilities of Welfare Trust Funds for Industrial Employees*

Workers' representatives favoured the idea of the proposed Fund which should be an additional ameliorative measure, and suggested

that it should be a charge on the revenues of the industry and not on profits, or at any rate, distributable profits. Employers' representatives felt that it would be advisable to wait till the Rege Committee* report was out before proceeding with the proposal. Also Government should try persuasion before resorting to legislation for the purpose. Provincial Governments felt that the Fund should be a charge on the industry imposed in the form of a cess as in the coal industry. It would, however, be advisable to wait and watch the effect of various welfare measures already undertaken before embarking on this Scheme. It was also pointed out that it would be inequitable to levy a cess on private industries if Government owned industries were to be left out.

The Central Government representative observed as follows:—

Central Government had an open mind in respect of the method of raising the Fund. The fund was to be utilised for additional welfare measures. But the Fund had to be big enough to be able to take up general welfare measures in industries where practically no welfare schemes were in operation. The need of having a clear list of duties of Government and of employers in regard to welfare measures is appreciated and this will ensure that no encroachment is made on the Fund on expenditure which should legitimately be met from other sources.

8.4 Central Legislation for Unregulated Factories

The proposal to have Central legislation to cover factories which were outside the purview of the Factories Act was discussed. But no specific conclusion was adopted.

8.5 The Mine Workers' Charter As Proposed by the ILO Coal Mines Committee

The Central Government representative stated that the conditions in mines were well-known. Government had already begun its efforts for removing some of the prevalent ills. Conciliation machinery existed at Calcutta. The Coal Mines Welfare Fund Advisory Committee had undertaken large welfare programmes. Changes in hours of work were under consideration. Since the Committee considered the Charter feasible for India, Government would consider giving effect to the view of the committee regarding the formation of a sub-committee [to suggest practical methods of implementing it].

8.6 Attitude of Employment Exchanges During Strikes or Lockouts

The Committee was asked to consider one of the following three alternative courses for adoption by the employment exchanges during strikes and lockouts:—

- (i) To refuse to accept vacancies or to register workpeople;
- (ii) To accept vacancies and to inform suitable applicants of the existence of the trade dispute before submission: to register workmen and to submit them for other

*The reference is to the Labour Investigation Committee set up in 1944

employment, informing the prospective employers that they are unemployed as the result of an existing trade-dispute; and

- (iii) To accept vacancies and to submit workmen for employment without reservation.

Opinion was divided as to which of the three procedures might be adopted. Workers' representatives favoured the procedure at (i) above while the employers' representatives preferred the one at (ii). It was, however, agreed that as an interim measure, the procedure outlined at (ii) might be accepted; the question would be considered again *de novo* at a later stage.

NINTH SESSION

(New Delhi, 25-26 July 1946)

Chairman—SHRI S. LALL

CONCLUSIONS

9.1 Legislation for Unregulated Factories

9.2 Revision of the Indian Factories Act, 1934

9.3 Holidays With Pay Act—Desirability of Provision for Paid Holidays to Workers in Mines, Unregulated Factories, Plantations, Seamen, Dock Labour, Local Employees, etc.

9.4 Revision of the Employment of Children Act, 1939

The four items were taken up for discussion together.

The Chairman summed up the discussion as follows:—

... the Government of India would proceed to frame a Bill, [to give effect to the proposals concerning revision of the Factories Act], as quickly as possible, ... having due regard for the views expressed by the members. He stated that the suggestion for separate legislation in respect of "holidays with pay" and "unregulated factories" would be considered. He was not, however, in favour of appointing a sub-committee [as suggested by some members] since that would only delay matters. Circulation of a Draft Bill would be a quicker way of dealing with the case.

9.5 Regulation of Conditions of Employment, etc. in Business Houses and Commercial Undertakings in Urban Areas

The proposal placed before the Committee was to have a Central Act applicable to all Provinces. Comments made on the provisions suggested for inclusion in the proposed legislation were noted.

9.6 Report of the Housing Sub-Committee*

The Committee adopted the following Resolution:—

The Standing Labour Committee requests the Government of India to establish immediately National Working Class Housing

*See Appendix XII.

Board and also to take steps through the Provincial Governments for the establishment of Provincial Boards for promoting the housing of working classes and the carrying out of the programmes as speedily as possible. The functions of the National Housing Board should include among others:—

- (i) laying down standards and policies for suitable housing in different areas on the lines recommended in the Report of the Sub-Committee;
- (ii) preparing standard plans, specifications and general housing schemes;
- (iii) supervision and carrying out the housing schemes undertaken by the Central Government;
- (iv) taking measures for making building material, land and other necessary facilities available at reasonable rates and in sufficient measure;
- (v) advising the Central and Provincial Governments, the Local Bodies and other public organisations with a view to promoting the objects of housing working classes;
- (vi) co-ordinating the working and activities of the Provincial Housing Boards; and
- (vii) undertake research in all.

The functions of the Provincial Housing Boards should include among others:—

- (i) undertaking the construction and management of houses built out of the funds provided by Provincial Governments; and
- (ii) supervising and carrying out the housing schemes undertaken by Provincial Governments, Local Bodies and other public organisations.

2. The Standing Labour Committee further requests the Government of India to supply the National and Provincial Housing Boards the funds necessary to enable them to carry out their functions.

3. The Committee is glad to note that the Government of India have agreed to contribute 12½ per cent. of the cost of building houses but not exceeding Rs. 200 per house. The Committee, however, is of the opinion that this subsidy offered by the Government of India is wholly inadequate particularly because of the abnormal increase in the cost of material and labour. The Committee, therefore, recommends to the Government in view of the fact that the contributions to be made by the workers towards the scheme by way of rent should not, on the whole, exceed more than 10 per cent. of the earnings of the working classes, the deficit amount should be made good by contribution from the Central Government, the Provincial Governments, the Local Bodies and the employers, and Central Government should take immediate steps to determine the respective responsibilities of these various parties.

9.7 Revision of the Mines Act, 1923—Reduction of Hours of Work

In summing up the discussion the Chairman observed as follows:—

. . . Government would not take any final decision in the matter till the report of Shri Despande was published and circulated for opinion. For the present, only the views of the members on the question had been noted

9.8 Progress of Work in the Directorate General of Resettlement and Employment

Comments were made on the attitude of Employment Exchanges during strikes, grant of leave with pay to servicemen "to seek jobs of their own liking", size and cost of the Central organisation, progress of placement, etc.

The discussion was summed up on behalf of Central Government as follows:—

. . . in the matter of the attitude of the Exchange during strikes, etc. the Central Government was, pending further consideration of the question, following the system obtaining in the U.K., which is that the Exchanges accepted vacancies and informed suitable applicants of the existence of the trade dispute before submission. Similarly they registered workmen and submitted them for alternative employment, informing the prospective employers that the applicants were unemployed as the result of an existing trade dispute. The question was expected to be placed before the next Labour Conference.

As for the question of leave with pay, the problem was one of the ability of the Government to bear the expenditure. From the utility point of view, the acceptance of the suggestion would delay the re-absorption of the demobbed into civilian employment.

Regarding the size and cost of the Central Organisation, . . . in the initial stages both planning and training had to be undertaken by the Centre. Ultimately the whole machinery would be transferred to the Provincial Governments and the Central Organisation would be acting only as a co-ordinating agency.

It was admitted that the progress of placement had not been satisfactory. But the real difficulty was that ex-servicemen were not readily coming forward for employment assistance or training, the reason being the desire of those persons to have some relaxation after the strenuous period of war service. Moreover, rationing in towns, the scarcity of accommodation in urban areas, etc. acted as obstacles in the way of ex-servicemen taking up jobs. However, by and by the number of persons seeking alternative employment would be on the increase and the utility of the Exchanges would become patent. As the whole organisation was in its initial stages it was too early to think of legislation for compelling employers to reserve a large number of vacancies for persons registered in employment exchanges.

As regards the scope of persons covered, all civilian employees who were engaged in war service were eligible for assistance from the Exchanges.

Travelling allowances to candidates called for interviews or tests were being paid in certain cases. This payment could not be made universal in view of the financial implications. With a view to economising, Government was trying to obviate the necessity of personal reporting of workers through the appointment of travelling exchange services and by encouraging employers to send their representatives to the Exchanges for the purpose of interviewing candidates. Government was also trying to find out, through experiments, an efficient and economical method.

9.9 *ILO Questionnaire on Protection of Children and Young Workers*

Certain modifications were proposed in the draft replies to the Questionnaire placed before the Committee. These were noted.

9.10 *ILO Questionnaire on Minimum Standards of Social Policy in Dependent Territories*

It was suggested that the Government of India should institute an enquiry into forced labour referred to in the draft replies. The enquiry should cover the Indian States also. Subject to this suggestion, the draft replies placed before the Committee were approved.

9.11 *Amendments of the International Labour Organisation Constitution*

The following Resolution was adopted unanimously:—

The Standing Labour Committee unanimously recommend that the Indian Delegation (Government, employers and workers) to the forthcoming session of the International Labour Conference should strongly press for:—

- (i) the adequate representation of Asiatic countries on the Governing Body taking population into account;
- (ii) the internationalisation of the staff of the International Labour Office at all levels by recruiting on equitable basis from different Member States with due regard to their population, economic status and needs for the specialised services of the ILO, and
- (iii) the immediate establishment of a strong and efficient Regional Office to be set up in Asia in order that the problems of Asiatic countries may receive proper attention.

9.12 *Other Matters*

(a) It was agreed that the Government of India would prepare a quarterly progress report outlining the decisions arrived at by the Indian Labour Conference and the Standing Labour Committee from time to time, and the action taken by Government on those decisions.

(b) It was agreed that the memoranda on the different items on the agenda of the Indian Labour Conference and the Standing Labour Committee might be made available to the Press, if it is so desired.

TENTH SESSION

(New Delhi, 15—17 April 1948)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

- 10.1 *Replies and Comments of the Government of India on the ILO Questionnaires and Reports on (i) Wages, (ii) Freedom of Association and Protection of the Right to Organise, (iii) Application of the Principles of the Right to Organise and Bargain Collectively, etc. and (iv) Vocational Guidance*

Certain modifications were suggested to the draft replies placed before the Committee. These were noted.

- 10.2 *Revision of ILO Conventions Concerning the Night Work of Women and Young Persons*

Comments were made on the provisions in the revised texts. These were noted for consideration in formulating instructions for the Indian Government delegation.

- 10.3 *Compulsory Provident Fund for Industrial Workers*

There was general agreement that there should be a Provident Fund instituted but whether it should be Central or otherwise would have to be decided and details would have to be worked out.

- 10.4 *Decasualisation of Labour in Main Industries*

There was some discussion but no specific conclusion was adopted on the subject.

The Chairman said that the scheme was an experiment and it would be on a voluntary basis.

- 10.5 *Implementation of the Resolution on Industrial Truce* Adopted at the Industries Conference, December 1947*

During the discussions reference was made to profit sharing, determination of a fair return to capital, freezing of profits by an Ordinance, fair wages, stopping of retrenchment, etc.

The Central Government representative explained that matters like determination of fair wage, fair return to capital, etc., might be left for the consideration of the machinery proposed to be set up for the purpose. If it was really wanted that retrenchment should be stopped, the observance of the Resolution was an essential *sine qua non*. He appealed to all sides that there must be a spirit of fairness on both sides and really there could not be any truce if one party was going to see always something bad in what was done by the other side.

* See Appendix V. Also see the ninth session of the Indian Labour Conference in Ch. I.

ELEVENTH SESSION

(New Delhi, 19-20 January 1949)

Chairman—SHRI S. LALL

CONCLUSIONS

11.1 *Implementation of Industrial Statistics Act, 1942, for Collection of Labour Statistics*

It was suggested that the Provincial Governments might be given an opportunity to examine the Draft Rules framed under the Act in detail and make suggestions for the consideration of the Central Government. Suggestions were also made concerning collection of statistics about industrial disputes, industrial diseases, sickness, etc., but no specific conclusions were adopted in respect of these matters.

The Chairman assured the Committee that the Act would be enforced as quickly as possible.

11.2 *Amendments to the Indian Trade Unions Act, 1926, With a View to Securing Greater Control Over the Working of Registered Trade Unions*

Comments made on the proposed amendments were noted.

11.3 *Disposal of the Unexpended Accumulation Under the War Injuries Compensation Insurance Scheme*

The proposal to utilise the unexpended accumulation (about Rs. 4 lakhs) for (i) awarding of scholarships to skilled workers for further training and (ii) provision of welfare facilities for industrial workers was approved.

Certain modifications were proposed to the two schemes drawn up to give effect to this proposal. These were noted.

11.4 *Scheme for the Decasualisation of Dock Labour at Bombay*

The Central Government representative explained the position in regard to various points raised during the discussions and pointed out that the Government did not think it proper to change the scheme in material particulars as it was unanimously approved by the Committee representing both workers and employers. He suggested that the Scheme as a whole should be brought into force the general policy would be regulated by the tripartite Board [proposed to be set up to administer the Scheme] the Scheme could not be implemented earlier because legislation by the Constituent Assembly (Legislative) was necessary

11.5 *Constitution of Welfare Trust Funds for Industrial Workers*

The workers' representatives and some Provincial Government representatives felt that efforts to set up such Funds on a voluntary basis had not yielded satisfactory result and suggested that legislation should be undertaken to give effect to the scheme. While generally approving the scheme the employers' representatives suggested its postponement for sometime to enable them to examine it properly. Suggestions were also made regarding the operation of the proposed Fund by a trust, the desirability of the workers contributing to the Fund, etc., but no specific conclusions were adopted in respect of these matters.

TWELFTH SESSION

(New Delhi, 2-3 November 1950)

Chairman—SHRI V. K. R. MENON

CONCLUSIONS

12.1 *Constitution of Welfare Trust Funds for Industrial Workers*

(i) The consensus of opinion was in favour of the proposal to have legislation to implement the scheme concerning setting up of the proposed Funds. For this purpose Government should draw up a draft Bill and circulate it to the interests concerned.

(ii) A suggestion was made that the proposed legislation should contain an enabling provision empowering the authorities concerned to prescribe workers' contribution to the Fund. Opinion was, however, divided on the question and no specific conclusion was adopted.

(iii) A number of suggestions were made regarding the composition of the Trust for the management of the Fund, the amenities to be financed out of the Fund, etc. These were noted.

12.2 *Establishment of Contributory Provident Fund in Industrial Undertakings*

There was a general discussion followed by an item by item discussion on the Questionnaire on the subject placed before the Committee.

The Chairman summed up the discussions as follows:—

. . . the employers had agreed to the principle of compulsory provident fund but were opposed to the creation of a centralised organisation. . . . [Government would] draft a bill after studying the various points raised, put some tentative suggestions tending as far as possible towards decentralisation and send out the draft Bill to all members of the Committee. Thereafter it could be decided whether the whole Committee or a smaller Committee should examine this draft Bill in detail. He hoped that the members had no objection to the draft Bill.

It was agreed that the draft Bill should be prepared.

12.3 *Uniformity in Legislation Relating to Shops and Commercial Employees*

After some preliminary discussions further consideration of the subject was postponed.

12.4 *Necessity for Tripartite Agreements on the Standards of Compliance with Provisions of the Factories Act, 1948 in Respect of Organised Industries*

The Committee agreed to the necessity of such tripartite agreements.

12.5 *Retrenchment*

There was some discussion on the principles and methods to be followed in the matter of retrenchment and the compensation to be paid to the retrenched worker. No specific conclusion was, however, adopted.

THIRTEENTH SESSION

(New Delhi, 27-28 July 1953)

Chairman—SHRI V. V. GIRI

CONCLUSIONS

13.1 *Special Review of the Tripartite Machinery*

The following suggestions were made during the discussion on the subject:—

- (i) Meetings of tripartite bodies should be more frequent and should last for a longer duration.
- (ii) Meetings should be held not only in Delhi but also at various labour centres.
- (iii) Some compromise or agreement by means of negotiations should be arrived at on the items discussed and for this purpose the Conference or Committee should split up into Sub-Committees.
- (iv) The Conventions and Recommendations adopted by the ILO annual conference should be placed before the tripartite bodies for discussion.
- (v) The tripartite meetings should review the over-all position of industrial relations and labour situation once or twice a year.
- (vi) The ratio between the three parties should remain intact and the number of employers' and workers' representatives should be proportionately increased in case the number of State representatives was increased.
- (vii) The allocation of seats among the various organisations should be on the strength of the real membership of each organisation ascertained by instituting an impartial enquiry every three years in case of dispute.

13.2 *Uniform Standards for National and Festival Paid Holidays in Private Industrial Undertakings*

It was decided that the consideration of this question should be postponed for some time.

13.3 *Productivity Studies and Programmes*

It was agreed that the National Productivity Centre should be set up.

13.4 *Payment of Compensation for Involuntary Unemployment*

An agreement regarding the payment of compensation for involuntary unemployment was arrived at between the employers' and workers' representatives.

13.5 Central Legislation for Shops and Commercial Establishments

The following conclusion was arrived at on this subject:—

If a State legislation conforms to the standards prescribed in the Central law in all important respects, it is not necessary to apply the Central law to that State. If a State law does not conform to these standards, it must either amend its law to bring it up to these standards or come under the Central law.

FOURTEENTH SESSION

(Madras, 11-12 August 1954)

Chairman—SHRI V. V. GIRI

CONCLUSIONS

14.1 Conditions of Work in the Building and Construction Industry

State Governments should be addressed to examine in detail proposals concerning introduction of Fair Wage Clause and provisions about protection of health and sanitary arrangements and the examination should be completed by a date to be prescribed by the Ministry of Labour.

14.2 Amendment of the Factories Act So As to Enable State Governments to Exempt Piece-rated and Daily-rated Workers From the Provisions Relating to Overtime and Weekly Holidays

It was decided to drop the proposal.

14.3 Labour Welfare Funds

(i) The State Governments should be asked to collect information through a questionnaire in regard to the nature and extent of welfare facilities provided by employers and the proposal for Central Legislation should be re-examined in the light of the information collected.

(ii) The subject should be placed before the Indian Labour Conference.

14.4 Amendment of the Minimum Wages Act, 1948, to Exclude the Jurisdiction of the Machinery Provided For Under the Industrial Disputes Act, 1947

The Committee decided that such an amendment would not be justified.

14.5 Conditions of Work in Manganese Mines

The terms of reference of the tribunal* should be widened to cover the following:—

(a) working conditions;

(b) non-payment of retrenchment compensation to persons alleged to have failed to qualify for it under existing legislation; and

(c) specific instances which are alleged to be caused by unjustified closing down.

*The reference is to the Industrial Tribunal, Dhanbad, to which a dispute concerning 245 manganese mines in Madhya Pradesh had been referred.

FIFTEENTH SESSION

(New Delhi, 4-5 April 1956)

Chairman—SHRI KHANDUBHAI K. DESAI

CONCLUSIONS

15.1 *Amalgamation Of a Portion of Dearness Allowance With Basic Wages*

(i) The question of merger of dearness allowance with basic wages requires thorough examination by Boards on which the employers and workers are represented.

(ii) Investigations into the wage question are necessary for evolving a suitable wage structure.

(iii) The manner of compilation of cost of living indices should be standardised.

15.2 *Payment of Retrenchment Compensation and Age of Superannuation, and*15.3 *Creation of Gratuity Funds in Factories*

(i) The age of superannuation should not be specified in the contracts of employment, as it would adversely affect temporary workers employed in small industries which do not provide either gratuity or provident fund benefits.

(ii) Till such time as an integrated social security scheme is evolved, a gratuity scheme may be framed. The superannuation age prescribed for the purpose may vary from industry to industry.

(iii) The ultimate objective should, however, be an integration of all social security schemes, and a fixed impost on the employers and workers, which should be worked out actuarially under the aegis of the Planning Commission.

(iv) The Government of India might preferably draw up model provisions for payment of gratuity which should serve as a guide.

15.4 *Legislation for Transport Workers*

(i) The need for undertaking comprehensive legislation for motor transport workers was emphasised. The Government of India should draw up legislation on the basis of available information and appoint a committee for the examination of the proposed legislation.

(ii) The working conditions to be prescribed for the motor transport employees in the proposed legislation should not be inferior to those available to workers employed in other industries.

15.5 *Labour Welfare Funds*

Suitable legislation for setting up labour welfare funds should be undertaken. These funds should be administered by tripartite bodies.

15.6 *Uniform Standard for National and Festival Paid Holidays and Working Days in a Year in Private Industrial Undertakings*

Information should be collected regarding the total number of working days in a year and quantum of national and festival holidays granted in other countries. A tripartite committee should be appointed to examine this information and make suitable recommendations.

15.7 *Workers' Schools*

Emphasis should be laid on the need for giving technical and vocational education to as large a number of workers as possible. The existing technical institutions should be utilised for the purpose.

15.8 *Institution of Awards like 'Shram Pandit' for Good Performance of Individual Workers*

A small tripartite committee should be set up to work out details of a scheme for awards and honours in recognition of good performance on the part of a worker or group of workers.

15.9 *Extension of Provident Fund Benefits to All Industrial Workers*

(i) The scope of the Employees' Provident Funds Act should be extended to cover all industries employing 10,000 or more workers, as also large individual undertakings in an industry even though the total number of workers employed in that industry is less than 10,000.

(ii) The question of extending provident fund benefits to workers in small unorganised units should be given consideration in the integrated social security scheme referred to above.

15.10 *Permission to Workers to Contribute Without Limit to the Employees' Provident Fund*

The question of permitting a worker to contribute to the provident fund without limit should be examined.

15.11 (i) *Labour Ministry's Proposals for the Second Five Year Plan, and (ii) Note on Workers' Participation in Management in Certain European Countries*

Comments, if any, on the proposals may be communicated to the Labour Ministry. The information contained in the note on Worker Participation in Management was noted.*

SIXTEENTH SESSION

(New Delhi, 17-18 October 1957)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

16.1 *Action Taken on the Conclusions Reached at the Previous Session*

Follow-up action, particularly in regard to the conduction of a wage census and the compilation of consumer price index numbers,

*Papers on the following subjects were also circulated for information:—

- (i) Productivity Studies;
- (ii) Material for the I.L.O. Industrial Committee on Building and Construction Industry.

the drawing up of legislation for the transport workers and the extension of provident fund benefits to all industrial workers, should be expedited.

16.2 Profit-sharing Bonus Above a Certain Limit Should be Credited to the Provident Fund Account of a Worker or Invested in National Savings Certificates

(i) Of the annual bonus accruing to workers, an amount equal to one month's gross wages (basic wages plus dearness allowance) or Rs. 75, whichever is higher, should be paid in cash. Of the balance, 50 per cent. subject to a minimum of Rs. 5 should be credited to the workers' Provident Fund account. This will not be applicable to workers getting less than Rs. 75 per month.

(ii) Even in cases where there are current agreements on bonus, ways should be found to see how these agreements could be modified to bring them in line with the above recommendation.

(iii) The above arrangement should not prejudice the claims preferred by the workers for the revision of wages, dearness allowance, etc., before wage fixing authorities, conciliation officers, wage boards, industrial tribunals and the like.

16.3 Question Whether a High Power Commission Should be Appointed at Present to Enquire into Safety in Coal Mines

This question was deferred for consideration by the Industrial Committee on Coal Mining.

16.4 Proposal for Legislation regarding Labour Welfare in Manganeese Mines

The Committee deferred consideration of this item.

16.5 Report of the Committee Set Up to Consider the Uniform Standard of National and Festival Paid Holidays and Quantum of Working Days in a Year in Private Industrial Undertakings

The experience of the State Governments who are introducing legislation for fixing the quantum of national and festival paid holidays should be watched before definite steps were taken by the Centre.

16.6. Discipline in Industry

(i) The Code of Discipline in Industry drawn up by the Sub-Committee on Worker Participation and Discipline in Industry was adopted with certain modifications.*

(ii) Breaches of the Code should not be ventilated publicly by either party till the agency constituted for the purpose had gone into the matter.

*The Code as finally adopted is at Appendix VIII.
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(iii) The representatives of the employers' and workers' organisations agreed to get the Code ratified by their respective organisations before the end of December 1957.

(iv) In regard to the action to be taken by the organisations against their constituents who committed breaches of the Code, the following steps were recommended:—

- (a) to ask the unit to explain the infringement of the Code;
- (b) to give notice to the unit to set right the infringement within a specified period;
- (c) to warn, and in cases of a more serious nature to censure, the unit concerned for its actions constituting the infringement;
- (d) to impose on the unit any other penalties open to the organisation; and
- (e) to disaffiliate the unit from its membership in case of persistent violation of the Code.

(v) Grave, wilful and persistent breaches of the Code by any party should be listed and widely published.

(vi) Employers' and workers' organisations will give no countenance in any manner to non-members who do not observe the Code.

(vii) The Code was equally applicable to industrial employees in the private and public sectors.

(viii) A satisfactory grievance procedure should be worked out by Government and placed before the Sub-Committee on Worker Participation in Management and Discipline in Industry.*

(ix) The different workers organisations should meet together to discuss and settle matters affecting inter-union relations.

(x) The Central and State Governments shall maintain panels of names of employers' and workers' representatives who will be available for constituting teams to investigate breaches of the Code of Discipline and evaluate the progress of implementation of awards, etc.

16.7 Progress Reports on the Schemes Relating to Worker Participation and Workers' Education

The progress made in regard to Worker Participation in Management and Workers' Education were noted.

16.8 Representation of All-India Workers' Organisations on Various Tripartite Committees (Industrial Committees, Development Councils, etc.)

The Labour Ministry would discuss with the organisations concerned the cases in which it is alleged that representation had not been given according to the agreed principles.

* See Appendix VI.

16.9 Implementation of Industrial Awards

(i) Tripartite machinery should be set up at the Centre, State headquarters and local level for evaluating the implementation of agreements, settlements and awards.

The composition of the machinery at different levels should be as follows:—

- (a) At the Centre, there will be one representative each of the employers' and workers' organisations to be nominated by the organisations concerned. The Union Labour Ministry should arrange to convene these meetings and to provide a secretariat for the purpose.
- (b) At the State headquarters, a similar organisation will be set up with the State Labour Departments in charge of convening the meetings and providing the secretariat.
- (c) At the local level (the intention being that in important industrial centres which are not State headquarters) there will be similar committees. The representation on these committees will be to important employers' and workers' organisations in the area. The local offices of the Labour Department of the State should provide the secretariat and, if possible, co-operation of some prominent person in the region secured to act as convener.

The Committee should necessarily be small and business like. There will be a two-way exchange of experience between the committees at the lowest level and the national committee. Any points of importance arising at any level should be given wide circulation.

The immediate task of these committees will be to examine the extent of implementation of agreements, settlements and awards on both sides (employers' and workers'), and to advise the parties which are anxious to implement the award but are unable to do so as to how the difficulties in implementation could be overcome.

The Ministry of Labour will appoint a Liaison Officer of sufficient seniority and with a fair understanding of labour problems. The responsibility of this Officer will be to go around the State headquarters to see how the above arrangements work. The States will similarly designate one of their officers to go to the regional committees within their administrative jurisdiction for a similar purpose.

(ii) The tendency to have recourse to law courts on unsubstantial grounds should be discouraged and organisations should devise some machinery to screen cases in which recourse to courts was contemplated by their members. The parties should also explore further possibilities of a settlement before such recourse to courts.

(iii) Parties to an award, agreement or a settlement, etc. should report to the Evaluation Machinery within a period of three months from the date of enforcement whether in their view the implementation of the award, agreement, etc. has been proper and effective. Before approaching the Evaluation Machinery for redress they should get together and try to reconcile the points of difference between them.

(iv) Tripartite Evaluation Committees should be set up at the industry level also wherever feasible.

16.10 *Application of Labour Laws and Mining Rules to Iron Ore, Manganese and Mica Mines*

Steps should be taken to ensure better enforcement of the laws which are already applied to mines other than coal mines, particularly in the case of manganese mines.

16.11 *Payment of Gratuity*

Action should be taken to expedite the work of the committee appointed for the purpose of recommending an integrated scheme of social security. The draft scheme should be obtained within a period of six months.

16.12 *Legislation for Regulating Service Conditions of Workers Engaged in Construction Industry*

The question of undertaking legislation to cover construction industry in respect of conditions of work, welfare, safety, housing, etc. should be taken up at an early date.

16.13 *General**

A steering committee on wages should be set up to formulate issues and information, devise measures for the systematic collection of data relating to wages, prices, cost of living, etc. in order to present an integrated picture in the light of which workers' demands could be examined.

SEVENTEENTH SESSION नवममेव जयते

(Bombay, 28—29 October 1958)

Chairman—SHRI GULZARILAL NANDA

CONCLUSIONS

17.1 *Evaluation and Implementation of Labour Enactments, Awards, Agreements, Settlements, etc.*

(i) The workers' and employers' organisations should evolve, as early as possible, machinery for screening cases wherein recourse to law courts is contemplated.

(ii) Workers' and employers' organisations should advise their constituents to report only specific and genuine cases of non-implementation of awards, etc. to the Evaluation & Implementation Division of the Ministry of Labour and Employment.

* The other item on the agenda was: Participation of Industrial Workers in the Cultural Pageant at the Republic Day 'March Past' in the Capital. The item was, however, not considered.

(iii) State Governments which have not yet set up Implementation Committees at State and local levels should do so as early as possible. An officer should also be designated by them, if not already done, to look after the work relating to implementation.

(iv) The Implementation Committees in the States should be fully representative of all the parties concerned.

(v) An analysis of the cases of appeals made, after the abolition of Appellate Tribunal, to High Courts and the Supreme Court against industrial awards should be undertaken by the Centre as well as the State Governments in their respective spheres.

17.2 *Workers' Participation in Management*

Units which volunteered to set up joint management councils but have not yet done so should set up these without any further delay. Such units as are not able to do so because of certain genuine difficulties may be taken out of the list of 50 units selected originally and substituted by other units. The list is not exhaustive and other units may be included where parties concerned are willing to start joint management councils.

17.3 *Legislation to Regulate Working Conditions of Motor Transport Workers*

As no agreement could be reached in respect of hours of work, spread-over and payment for over-time work, it was decided that the matter should be examined further and a decision taken by the Central Government.

17.4 *Amendment of the Industrial Disputes Act*

The proposed amendments to the Act should be examined by a Sub-Committee consisting of representatives of the Central Government, the State Governments of Bombay, Madras, Bihar, Uttar Pradesh, West Bengal and Madhya Pradesh and one representative each of the central organisations of workers and employers.*

17.5 *Age of Superannuation for Industrial Workers*

The question of age of superannuation was closely related to that of retirement benefits. The matter should, therefore, be considered along with proposals relating to an integrated social security scheme.

17.6 *Request Made by Various Organisations for Intervention by the Centre, or the Personal Intervention of the Minister for Labour and Employment to Resolve Certain Disputes When These Requests are Preceded by Threats of Strikes or Other Direct Action.*

Before a request is made for such intervention the parties concerned should ensure that the Code of Discipline has not been infringed.

* The Sub-Committee considered the amendments at a meeting held at Bombay on 16-17 January 1959.

17.7 Study of Major Strikes by observers from the point of Code of Discipline

(i) The proposal to depute an observer or a team of observers to study major strikes from the point of Code of Discipline was approved.

(ii) The question whether the team should be official, non-official or mixed should be determined by Government on the merits of each case.

(iii) While selecting representatives in the case of mixed teams, the organisations concerned should be informally consulted.

(iv) It was decided that there should be an enquiry into the Kerala plantation strike from the point of view of the Code of Discipline.

(v) Similar studies might also be undertaken, wherever necessary, in other cases involving infringement of the Code of Discipline even if there are no strikes.

17.8 Review of the Working of the Employees' State Insurance Scheme

(i) The extension of the Scheme to the present coverable population should be completed by the end of the Second Five Year Plan.

(ii) A committee would be appointed to review the working of the Scheme.

(iii) Periodical reports showing the progress of the Scheme should be made available to the employers' and workers' organisations.

17.9 Grant of Exemption Under Section 16(1) of the Employees' Provident Funds Act to Factories Re-starting Under New Ownership After Closure

Workers' representatives felt that the amendment proposed was likely to lead to abuses. They would reconsider the proposal and communicate their final views to the Central Government.

EIGHTEENTH SESSION

First Meeting

(New Delhi, 5—6 January 1960)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

18.1 Action Taken on the Conclusions of the Previous Session

The statement of action taken was noted, subject to the following:—

- (i) It was agreed that the Ministry of Labour and Employment would circulate a note on the functioning of the Screening Machinery set up by the organisations in the States.

- (ii) There should be uniformity in the matter of procedure followed by the Implementation Committees set up at the Centre and in the States. As far as possible, the procedures adopted by the State Implementation Committees should conform to those followed by the Central Evaluation and Implementation Committee.
- (iii) It was suggested that Judges of a high status should be appointed on Tribunals so that the number of cases going to higher courts is reduced. The question of creation of a special cadre of Judges for this purpose should be considered.

18.2 Proposed Legislation for Setting Up Wage Boards

The consensus of opinion was not in favour of the proposal to place Wage Boards on a statutory footing for the present. The parties concerned should implement the unanimous decisions of the Wage Boards. If, however, they failed to do so, Government should take steps to give effect to the recommendations statutorily, if necessary.

18.3 Draft Proposals on Labour Policy for Inclusion in the Third Five Year Plan

There was a preliminary exchange of views on the Draft Proposals contained in the Memorandum on this item. Discussions at the meeting could not, however, be completed on all the points raised in it. It was decided that the matter should be considered further at another meeting of the Standing Labour Committee and concrete proposals on Labour Policy should be drawn up for inclusion in the Third Five Year Plan.

18.4 Amendment of Section 24(3) of the Industrial Disputes Act Regarding Illegal Strikes and Lock-outs

The point for consideration was whether the Industrial Disputes Act should be amended so as to provide that a lock-out declared in consequence of an illegal strike or strike declared in consequence of an illegal action, shall not be deemed to be illegal.

While the consensus of opinion was not in favour of the proposal to so amend the Act, it was agreed that the penalties under the Law for non-implementation of awards, etc. should be enhanced and made more deterrent by making such non-implementation a continuing offence. The relevant labour laws should also contain specific provisions to enable speedy recovery of claims.

18.5 Revival of the Labour Appellate Tribunal

Opinion was divided on the question whether the Labour Appellate Tribunal should be revived at this stage. The consensus of opinion was that the proposal needed further consideration before a final decision was taken in the matter. It was decided that, for this purpose, the State Governments should have an assessment of the relevant factual material available with them. Thereafter, the

proposal, including the related question of the status of the Tribunal Judges, should be reconsidered by the Standing Labour Committee.

18.6 Amendment of Clause II (iii) of the Code of Discipline to Provide for a Specific Period of Notice for Strikes and Lock-outs

The proposal to amend the Code should be deferred pending a review of the working of the Code of Discipline.

18.7 General

(i) In the context of a statement made by the AITUC representative, it was agreed that, as decided at the seventeenth session of the Indian Labour Conference (Madras, July 1959), no party would seek to bring before the Conference, complaints against other parties or subjects not included in the agenda, without adequate prior notice.

(ii) While it was agreed that the conclusions/agreements reached at tripartite bodies did not have the force of law, the same were morally binding on the parties concerned in the sense that they were under an obligation to make every effort to implement them or get them implemented.

Second Meeting

(New Delhi, 10—11 March 1960)

18.8 Draft Proposals on Labour Policy for Inclusion in the Third Five Year Plan

The Committee formulated a number of proposals which were finally approved at its meeting held on 26—27 April 1960.

Third Meeting

(New Delhi, 26—27 April 1960)

18.9 Draft Proposals on Labour Policy for Inclusion in the Third Five Year Plan

The Committee finalised the proposals* on labour policy for inclusion in the Third Five Year Plan.

18.10 Creation of a Special Reserve Fund for Meeting Claims of Outgoing Members of the Employees' Provident Fund

(i) Workers should in no case be deprived of the money contributed by them to their provident funds.

(ii) While every effort should be made to recover the provident fund dues in default from the employers, there was need to create a Special Reserve Fund to ensure payment of provident fund money to workers.

(iii) The proposed Fund may be started by utilising a suitable sum from the Reserve and Forfeiture Account. Possibilities should also be explored for securing a better yield from the investment of provident fund accumulations. The increased revenue that becomes available from this re-arrangement of investment should be utilised

*The proposals as approved by the Committee are at Appendix XIII.

for financing the proposed Fund for such time as might be necessary.

(iv) The rate of interest being allowed to workers at present on their provident fund accumulations should not be reduced for the purpose of financing the Fund for the present. In case, however, the two sources mentioned in (iii) above are found inadequate for the purpose of operating the Fund, some or all of the welfare measures now financed from the Reserve and Forfeiture Account may have to be discontinued, and the position should be reviewed again at a tripartite meeting with a view to examining afresh the question of reduction of the rate of interest.

NINETEENTH SESSION

(New Delhi, 28 April 1961)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

19.1 *Industrial Accidents*

(i) There was need for more vigorous and sustained effort by all concerned to prevent accidents. Employers and workers agreed to extend their full co-operation in programmes aimed at promoting greater safety.

(ii) Safety Councils should be set up at the National and State levels. Among other functions, these councils would organise campaigns aimed at promotion of greater safety. The activities of these councils would cover all sectors of employment other than mines. A scheme giving the details regarding the composition and functions of these councils would be drawn up after taking into account the practice in other countries, and circulated for comments before it was finalised.

(iii) A tripartite standing committee on safety should also be set up to deal with matters relating to safety.

(iv) The possibility of securing co-operation and assistance from the Employees' State Insurance Corporation in this regard should also be explored.

19.2 *Sanctions Under the Code of Discipline*

The question of adoption of additional sanctions might be considered later in the light of further experience of the working of the Code.

19.3 *Extension of the Scheme of Joint Management Councils*

(i) The workers' and employers' organisations should extend their fullest co-operation in the promotion and implementation of the Scheme.

(ii) The organisations should send to the Ministry of Labour and Employment names of suitable units from amongst their affiliates where the joint management councils could be set up.

(iii) State Governments should set up suitable machinery as recommended by the Seminar on Labour-Management Co-operation held in New Delhi in March 1960.

(iv) Efforts should be made to set up as early as practicable, joint management councils in public and private sector undertakings where a recognised union is functioning and where relations are harmonious.

19.4 *The Extent to Which Tripartite Decisions Would be Binding On the Parties Concerned*

(i) Unanimous conclusions and agreed recommendations of tripartite conferences and committees would be treated as commitments by the parties to implement them.

(ii) Where a party feels that it cannot commit itself without further consulting its constituents on any particular matter it might reserve its position on that issue. In such cases the final views of the party concerned should be communicated to the Ministry of Labour and Employment within the specified time.

(iii) If real and substantial difficulties which a party could not anticipate at the time of accepting a recommendation came to light, the matter could be brought up again by it before the Conference/Committee for reconsideration.

19.5 *Proposal to Amend Sections 80 and 79(8) of the Factories Act, 1948*

At the instance of the employers' representatives, the consideration of the proposal for amending the Factories Act was deferred.

19.6 *Functioning of Works Committees*

The recommendations made by the Tripartite Committee on Works Committees* set up by the seventeenth session of the Indian Labour Conference were considered. It was agreed that the existing position in the matter of representation of workers on the Works Committees should not be changed for the present. The other recommendations made by the Tripartite Committee regarding functions, composition of the Works Committees, etc. were endorsed.

19.7 *Additional Measures for Protection Against Victimisation*

(i) At the instance of employers it was agreed that the subject should be considered later.

(ii) Cases of victimisation should be referred to arbitration.

19.8 *Amendment of the Indian Trade Unions Act, 1926, to Provide For the Resolution of Disputes Among Rival Office-bearers of A Trade Union*

It was considered that the matter needed some further examination, and should be brought up for discussion at the next session of

* See Appendix X.

the Standing Labour Committee or the Indian Labour Conference. Meanwhile, the existing position should continue.

19.9 Abolition of Rickshaw Pulling

The matter should be left to the State Governments to decide in the light of conditions obtaining in each State.

19.10 Organisation of All-India Tours for Industrial Workers

(i) The idea of organising all-India tours for industrial workers was welcomed. It was, however, considered that to begin with such tours should be confined to workers covered by the Workers' Education Programme, and part of the expenses met by the Workers' Education Board.

(ii) Employers' representatives also agreed to make a reasonable voluntary contribution towards the financing of such tours.

19.11 Workers' Education Scheme

The Committee urged that the workers' and employers' organisations should extend their full co-operation in the working of the Scheme. Some of the specific recommendations made by the Committee in this connection were:—

- (i) trade unions should be more prompt in sponsoring trainees for the Worker-Teacher Training Course in consultation with the management;
- (ii) employers should be more prompt in relieving workers selected by the Local Committee for the Worker-Teacher Training Course and in paying them release-time wages;
- (iii) employers should provide accommodation and other classroom facilities for unit level classes; and
- (iv) trade unions should take all possible steps to ensure regular attendance of trainees sponsored by them at the unit level classes.

19.12 Review of the Working of the Code of Discipline and Implementation Machinery

(i) State Implementation Committees should be constituted in consultation with the central employers' and workers' organisations wherever they have affiliates in the States concerned.

(ii) The organisations should take steps to vitalise the Screening Machinery set up by them. They should also extend their full co-operation by supplying the requisite statistical information to Government to enable them to make a proper assessment of the effectiveness of this machinery.

(iii) In a large number of cases the principles embodied in the Code had not yet fully permeated down to all levels, particularly the middle management. The central employers' organisations and managements should take effective steps in this direction.

(iv) The existing machinery provided for the redress of grievances should be fully utilised in all cases and hunger strikes should be particularly avoided.

19.13 Determination of the Period of Functioning of a Union In a Unit for the Purpose of Recognition Under the Code of Discipline

In the case of branches of a union recognised under the Code as a representative union for the industry, one-year qualifying period need not be insisted upon for granting recognition to the branch union at the unit level, provided it satisfied the prescribed membership qualification, and was operating in the same local area and in the same industry as the representative union.

19.14 Proposal for Establishing An Institute of Labour Relations Research

The proposal concerning the establishment of the Labour Research Institute was approved. It was agreed that the proposed co-ordinating Committee on Labour Research* should work out and settle the details regarding the settling up of the proposed Institute.

19.15 Procedure for Verification of Membership of Unions for the Purpose of Recognition Under the Code of Discipline

(i) The existing procedure** for verification of membership of unions should continue.

(ii) Verification work in respect of membership as on 31 March 1961 need not be done in view of the coming General Elections.

19.16 General

(i) The question of the composition of the Bonus Commission was discussed. On behalf of all the employers it was urged that one representative each from the workers' and employers' side might be associated with the Commission as members. The representative of the INTUC agreed with the suggestion. The representatives of other workers' organisations, however, desired that the Commission should be adequately enlarged with a view to ensuring that the recommendations of the Commission were acceptable to all parties.

The representative of the INTUC pointed out that it was necessary that the Commission should be a compact body and his organisation would, therefore, insist on one representative each for the employers' and employees' side. However, it would not go beyond two. This was generally acceptable to all except the representative of the AIMO who wanted time to consult his organisation.

It was agreed that a meeting of the workers' and employers' representatives and of the State Governments, who may feel

* The Committee on Labour Research met in New Delhi on 13 July 1961 and examined the proposal in detail.

** See Appendix XIV.

interested, may be convened to finalise the terms of reference of the Commission.*

(ii) The employers' representatives raised the question of non-official advisers who might be permitted to attend tripartite meetings. It was agreed that the organisations might be permitted to bring non-official advisers equal to the number of official advisers.



* The terms of reference of the proposed Commission were settled at special tripartite meetings held on 7 and 28 October 1961.

CHAPTER III

THE INDUSTRIAL COMMITTEE ON PLANTATIONS

FIRST SESSION

(New Delhi, 8—9 January 1947)

Chairman—SHRI JAGJIVAN RAM

Extracts from the Chairman's Speech

This is the first Conference of its kind to consider the specialised problems of one particular industry. The International Labour Organisation has found it necessary to set up a number of Industrial Committees to consider the specialised problems of particular industries. We, in this country, are also endeavouring to adopt a similar procedure and set up Committees for various important industries and occupations. This is the first Conference in that series and I hope it will be a successful beginning of the new line which we are initiating.....

CONCLUSIONS

1.1 Wages and Connected Matters

The representative of the Indian Tea Association stated that his Association would be prepared to recommend to its members that an *ad hoc* dearness allowance of 2 annas per day should be given immediately to each adult male worker in the Assam Valley, which would bring the total earnings to 14 annas. He added that corresponding increases would be given for women and children in the Assam Valley and that similar increases in wages would be allowed to workers in the Surma Valley, Darjeeling, Dooars and Terai districts.

He also agreed that a quick sample enquiry should be conducted by the Labour Department of the Government of India to ascertain the requirements of the workers and that on the basis of the results of this enquiry, reasonable rates of wages should be agreed upon at the next Conference to be convened as soon as the enquiry was completed.

These proposals were accepted by *the representatives of the Assam-Bengal Indian Tea Planters' Association and the Indian Tea Planters' Association, Jalpaiguri.*

The Chairman accepted them on behalf of Government and, at his instance, the workers' representatives also agreed.

The employers' representatives agreed to examine the possibility of standardising task and piece work and rates, wherever possible. There was a general consensus of opinion in favour of the adoption

of the 'unit' system. They also agreed that the deductions made for dampness of leaf plucked should be abolished.

The employers' representatives from Assam and Bengal agreed in principle that workers should be paid once a week or a fortnight, except where they (workers) specifically asked for a monthly payment. They considered that weekly or fortnightly payment should be enforced by legislation except where enquiry showed that the workers preferred otherwise.

The employers' representatives from South India agreed that if fining and the system of punishing workers by forfeiting part or whole of their daily wages existed on their member estates, they would recommend that it should be stopped. They also agreed that contract work should not be done outside the normal working hours.

1.2 Sickness and Maternity Benefits

It was agreed that women workers should get a maternity benefit at the rate of Rs. 5-4-0 per week (12 annas a day for 7 days) for eight weeks.

Employers' representatives agreed that, pending legislation, their Associations would recommend to the members to give immediate effect to this proposal.

Employers' representatives agreed to the payment of sickness benefit for 2 weeks in a year, calculated at two-thirds of the average daily earnings of the workers. They also agreed that, pending legislation, their Associations would recommend to the members to give immediate effect to the proposal.

1.3 Housing

The Chairman agreed that account should be taken of the scarcity of materials but, at the same time, house construction could not be postponed. An important point was that the houses should have reasonable accommodation. He suggested that in every area, there must be a committee to examine what type of houses should be built in existing circumstances and what accommodation it should have, and having decided upon a programme, to execute it.

1.4 Medical Aid

The general view of the employers was that Government should prescribe the standards, the actual provision of medical services being left to the employers. Large gardens would run their own services, while small gardens would combine and share the expenses, either among themselves or with neighbouring gardens. Time should be given to them to introduce the standards to be prescribed in all estates.

It was agreed that the employers should submit their proposals to Government through Provincial Governments and that the matter should be discussed again at the next Conference.

1.5 Education

There was general agreement that educational opportunities should be provided in tea gardens.

The employers stated that the responsibility for opening and maintaining schools should be that of the Provincial Government who might levy a cess in the ordinary way. They would, however, give assistance in regard to the provision of school buildings and other facilities.

The Chairman stated that the points made in the course of the discussion would be examined by the Provincial Governments and that the question should be taken up again in the next Conference.

1.6 Welfare Activities

The employers' representatives agreed to the provision of creches. It was also agreed that propaganda in favour of prohibition should form part of welfare activities.

1.7 Plantations Act and Welfare Cess

There was general agreement that there should be a special Act for plantations. But *the employers' representatives* did not favour the levy of a cess. They preferred that Government should lay down the standards and enforce them by adequate inspection services. *The workers' representatives* supported the proposal to levy a cess.

The Chairman stated that personally he felt the cess was very necessary. He was very anxious to carry all the parties with him in the measures designed for the benefit of workers. In view of the strong views expressed by the employers on the question of the cess, he was prepared to postpone further discussion to the next Conference and hoped in the meanwhile they would be able to reach some agreement.

1.8 Constitution of the Tripartite Conference

There was general agreement that the Plantation Labour Conference should be made a permanent body and the Conference should consider questions affecting labour in all plantations whether of tea, rubber, coffee or other products. It was also agreed that the general Conference should concentrate on the major problems. Specific problems relating to tea, coffee and rubber, that might arise from time to time, should be left for detailed consideration by advisory committees. The reports of the advisory committees would then be considered by the main Conference.

It was further agreed that there should be a small standing committee which could meet at non-frequent intervals and advise Government on problems referred to it.

1.9 Trade Union Organisation

The Chairman appealed to the employers' representatives to encourage trade union organisations in the estates.

Speaking on behalf of the employers, a representative stated that the employers would have no objection to the organisation of legitimate trade unions in a legitimate way.

SECOND SESSION

(New Delhi, 31 March—2 April 1948)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

2.1 Wage Fixation

The Chairman pointed out that an enquiry was conducted in the tea plantations in pursuance of the conclusions reached at the first session of the Committee. The Report on the enquiry was there and the two factors for consideration were the exclusion of children below 12 years of age from employment and the question of wages.

After some discussion the Chairman made the position clear by declaring that there should be a flat rate of increase of annas 0-3-6 for grown-ups and annas 2 for children for all areas except Darjeeling, Cachar and Tripura State for which the rate of increase would be 3 annas for grown-ups and 2 annas for children.

It was agreed that the quantum of wages would not be brought before the Tripartite Committee any more and that if the question of wages was to come up, it would come up before the Wage Board and that the Board would be constituted after consultation with the Tripartite Committee as to its composition, etc.

The representative of the Indian Tea Association signified his acceptance. He also agreed that no child below 12 should be allowed to work.

There were some further discussions about the difficulties experienced by the plantations in the South. Before the meeting concluded, an increase of 0-3-6 annas 0-3-0 annas and 0-2-0 annas for adults, 0-2-0 annas, 0-1-6 annas and 0-1-0 anna for children in tea, coffee and rubber plantations, respectively, in South India was agreed to by the employers, workers and Governments.

2.2 Medical Care

At the first session of the Committee it was agreed that Government should prescribe the standards of medical services to be maintained in the plantations. To assist the Government in the prescription of such standards Dr. Lloyd Jones, Deputy Director-General of Health Services (Social Insurance), was deputed to visit the plantations, survey the existing facilities and draw up standards of medical care for workers in tea plantations. A summary of Dr. Lloyd Jones' recommendations was placed before the Committee. After some discussion, the house signified its acceptance to the standards suggested by Dr. Jones.

After some further discussion, the Chairman announced that the standards applied to rubber and coffee plantations as well. Referring to the case of small gardens, he suggested that some plan might be devised under which those planters, who could not come up to the prescribed standards, could approach the Government or the Committee for exemption from the responsibility or setting up the

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hospitals on payment of a cess. He felt that the difficulty of small gardens should not stand in the way of the adoption of these standards.

2.3 *Outlines of Legislation for Regulating the Conditions of Work in Plantations*

The broad outlines of the proposed legislation for plantations were tentatively discussed. The suggestions made were noted.

2.4 *Standing Committee**

It was agreed, after a short discussion, that the Standing Committee would consist of 12 members, 4 each from the employers', workers' and the Government groups.

THIRD SESSION

(New Delhi, 4-5 November 1950)

Chairman—SHRI KALIPADA MUKHERJI

CONCLUSIONS

3.1 *The Plantations Bill*

A comprehensive Bill prepared on the basis of the earlier discussions was discussed clause by clause. The main principles of the Bill were accepted.

3.2 *Welfare Measures for Plantation Labour*

The Central Government representative said that through the good offices of the Ministry of Commerce, a sum of Rs. 4 lakhs had been secured from the Central Tea Board for some welfare measures. These would not be measures for which obligation had already been placed on the employers.

After some discussion he said that the money should be spent on a modest scheme. An appropriate scheme, he believed, would be the training of women workers. Training of children also might be included if necessary but that was a matter of detail for the State Governments. Women could be given training in subjects like midwifery, sewing, spinning, etc. He thought that the Committee

* The first meeting of the Standing Plantations Committee was held in New Delhi on 20-21 September 1949 to consider (i) the Questionnaire on the proposed plantation legislation, and (ii) Government's replies to an ILO Questionnaire on work on plantations. A Sub-Committee was also set up to consider the problems arising out of the closure of tea gardens in Cachar. This Sub-Committee met in New Delhi on 23-24 September 1949 but failed to reach any agreement on the measures to be taken to solve the problems. A special meeting of the Standing Plantations Committee was held at Shillong on 27 February 1953 to consider (i) closure of tea gardens and surplus labour in tea plantations, and (ii) conversion of food grain concessions into cash. There was general agreement on the principle of cash conversion though no agreement could be reached on the exact quantum of compensation to be given in lieu. The problem of closure, and surplus labour could not be considered for lack of time.

agreed that the little money available should be distributed on the basis of the number of workers employed in the gardens in the State. He said that the general view of the Committee seemed to be that the Central Tea Board should be approached to make at least a similar grant available from the same source in future years. If the attempt failed, it would be difficult to implement these measures.

3.3 Housing

After some discussion, it was agreed that the housing standards of the Indian Tea Association, both for plain and hill gardens, be adopted throughout North India.

The representative of the Indian Tea Association informed the house that they hoped to carry out 8 per cent. of the total programme of housing in 1950. If they could carry on at the present rate they would have finished in 12 or 15 years. The over-riding factor however, was finance. He felt that Government should come forward to help those estates whose finances did not permit them to cope with the general pace of progress.

After some further discussion, the Central Government representative suggested that a programme for house construction should be evolved. He said that assuming that conditions did not change, it should be on the basis of providing houses for at least 8 per cent. of the labour population every year.

Answering some of the points raised by the employers' representatives, the Chairman said they could also build *kutchas* houses to specifications and when they had sufficient money they could build *pucca* houses.

3.4 Kangany System

After some discussion it was decided to remit the subject to a Sub-Committee. It was also decided that the Sub-Committee should submit a report within three months and that the Madras Government would take the initiative in convening its meeting.*

FOURTH SESSION

(Calcutta, 19-20 December 1952)

Chairman—SHRI V. V. GIRI

This was an emergency session called for considering the Report of the Official Team,** set up by the Ministry of Commerce and Industry in May 1952 to enquire into the crisis in the tea industry.

* The Sub-Committee met on 5 February 1951 but the trend of opinion was not in favour of the immediate abolition of the *Kangany* System.

**The Team's main recommendations on labour matters were: (i) conversion of food-grain concessions into cash; (ii) postponement of the implementation of the Plantations Labour Act, 1951; (iii) special measures for tea gardens in Darjeeling, e.g. diversion of surplus labour to other employments, fixation of minimum wages at a lower rate, etc.

CONCLUSIONS

After prolonged consultations a bipartite agreement was reached on the following Resolution:—

This Committee is of the view that the Report of the Official Team is unsatisfactory in that it has failed to furnish adequate statistical data relating to the industry and labour and that no decisions can be taken on the basis of this report. The Committee, therefore, suggests that a tripartite commission with regional sub-committees be appointed by the Central Government immediately to investigate into the cost structure of the industry. The Committee requests that the commission should be asked to report by 15 February 1953, and that the Government may be pleased to pass orders thereon by 15 March, 1953. Pending the report of the tripartite commission, the committee recommends as an emergency measure that relief by way of refund of the duty collected by the Central Government may be given as follows:—

Cachar, Darjeeling and Tripura—	3 annas per lb.
Dooars, Terai and Central	—2 annas per lb.
Travancore (low-grown areas),	
Assam and Madras State	—1 anna per lb.

The Committee is of opinion that the refund should be granted on tea despatched from the gardens in the above said areas with effect from 1 April 1952, until further notice. Provided that no such refund shall be made to gardens which have closed down and do not reopen immediately after the announcement of relief by the Central Government. The gardens which have suffered loss during the year 1951 and/or 1952 should be granted relief by way of long-term loans on pui-sne mortgages of the block assets to the extent of the short-fall which they had during the said period.

Where Government are satisfied that any of the gardens had not suffered loss during the financial year 1952-53, Government may direct that the amount refunded shall be spent on labour welfare, such as, housing, health, education, etc.

Should relief be granted by the Government, producers feel that will be no further closure or retrenchment or reduction in the earnings of labour till the tripartite commission reports, and it is further agreed that the refund shall be contingent upon the working of the gardens without retrenchment or reduction in the earnings of labour pending the report of the commission. Producers will also endeavour to reopen the gardens which were closed down in 1952.

No revision by any State Government committee of the minimum wages awards shall be made to the detriment of labour after the acceptance by the Government of these proposals and during the pendency of the enquiry by the tripartite commission.

After some discussion, it was agreed that the words 'Madras State' should be deleted from the list in para 1 of the Resolution.

The Chairman assured the house that Government was anxious to arrive at some constructive conclusion and be helpful to the

industry. But the Government of India, and most probably the State Governments also, could not commit themselves in any way to the resolution. He would convey the Resolution arrived at through the bi-partite agreement to the Government of India and was certain that coming as it did from a responsible body of employers' and workers' representatives it would receive due consideration.

FIFTH SESSION

(Calcutta, 30-31 January 1954)

Chairman—SHRI V. V. GIRI

CONCLUSIONS

5.1 Lay-off Compensation for Plantation Workers

After some discussion the subject was referred to a Sub-Committee which recommended the adoption of the following Resolution:—

Resolved that this Committee do recommend to Government that steps be taken to apply the provisions of the Industrial Disputes (Amendment) Act, 1953, relating to lay-off to the plantation industry with effect from the 1 April 1954 subject to the condition that none of the provisions of the Act shall derogate from the effect of any statutory notifications issued by Governments or of any agreements or contracts entered into between the parties requiring the provision by employers of a minimum number of days of work or wages or compensation to workers.

Note of dissent:

Shri C. I. Machia, the UPASI representative, representing the coffee growers' interests in South India accepts the above principle but regretfully feels compelled to register a minute of dissent so far as the immediate application of the Act to coffee plantations is concerned until such time as the cost structure of the industry is examined by an impartial committee to be set up by the Government of India.

On a suggestion from a workers' representative, it was agreed that the resolution should be modified to indicate that the extension of the Industrial Disputes (Amendment) Act, 1953, would not affect "any disputes pending for adjudication" The resolution as amended was adopted.

5.2 Enforcement of the Plantations Labour Act, 1951

The subject was considered by a Sub-Committee. The discussions in the Sub-Committee were summarised as follows:—

The Indian Tea Association, the United Planters' Association of South India and the workers' organisations were of the view—

(a) that the Act should be brought into force on 1 April 1954;

- (b) that the sections which automatically came into force should be given effect to;
- (c) that rules should be framed in respect of all welfare measures covered by the Act and submitted for scrutiny and approval to a tripartite committee at an early date, the rules in respect of the six items of first priority being submitted, if need be, ahead of the remaining rules;
- (d) that after the finalisation of the rules a phased programme of implementation of the following welfare measures, included in the first stage of implementation, should be drawn up, namely—
 - (i) medical facilities,
 - (ii) creches,
 - (iii) recreational facilities,
 - (iv) housing facilities,
 - (v) protection from the weather, and
 - (vi) welfare officers; and
- (e) that consideration of the remaining welfare measures, namely—
 - (i) educational facilities,
 - (ii) conservancy, and
 - (iii) canteens
 be postponed for the present.

Departing from these conclusions, the members representing rubber stated that the Act should be implemented in respect of rubber plantations only if suitable increases in prices were guaranteed. The member representing coffee took up a somewhat similar position and said that the Act could not be implemented until the cost structure of the coffee industry was fully examined. The Indian planters' associations were of the view that while they had no objection to the bringing into force of the Act and to the implementation of such of the provisions as did not require rules to be framed, they could agree to the implementation of the welfare measures for which rules had to be framed only after they had seen the final rules and found them acceptable.

The Chairman referred to the report of the sub-committee and said that it gave the gist of the various arguments put forward by the various sides. The report was only a record of facts and not one of agreement. There was a general understanding on the matter and gaps would be filled in by Government.

5.3 Conversion of Food-grain Concessions Into Cash*

The following agreement was reached in respect of the gardens in the membership of the Indian Tea Association in Zones I, II and III in the Assam Valley.

* This subject was discussed inconclusively at a number of earlier meetings, e.g. a tripartite Conference held in Calcutta on 4-5 August 1951, a special meeting of the Standing Plantations Committee held at Shillong on 27 February 1953, and the fourth session of the Industrial Committee.

That in Zones I and II concessional foodstuffs would be replaced by an allowance of 9 annas per day and that this allowance would be added to the basic wage. Foodgrains would be the only foodstuffs sold and they would be sold in these two Zones at Rs. 20 per maund. In Zone III the conversion allowance would be 8 annas and Rs. 17-8-0 per maund would be the price at which grains would be sold.

So far as leave was concerned, the *Indian Tea Association* had agreed to implement the particular section of the Plantations Labour Act in Assam Valley and in addition it had agreed to give a paid holiday on the Republic Day, a paid holiday on the Independence day and three other paid holidays in course of the year on dates accepted in particular areas to be decided upon in consultation with workers' representatives. This agreement had been reached in return for the agreement over the abolition of the concessional foodstuffs and would be applicable to the gardens under the Indian Tea Association or such gardens as would remain with them when the news got through and it was not in any way to be extended outside Zones I, II and III of Assam Valley.

SIXTH SESSION

(Ootacamund, 19-20 July 1954)

Chairman—SHRI ABID ALI

CONCLUSIONS

6.1 Draft Model Rules Under the Plantations Labour Act, 1951

The draft Rules were considered chapter by chapter. Closing the proceedings, the *Chairman* stated that the Government of India would be in a position to finalise the Rules taking into account the requirements of the workers and the difficulties of the employer. He assured the house that every suggestion made by them and every view expressed would receive consideration.

SEVENTH SESSION

(New Delhi, 31 August-1 September 1955)

Chairman—SHRI KHANDUBHAI K. DESAI

CONCLUSIONS

7.1 Bonus for Plantation Labour

It was decided to set up a small bonus committee* consisting of three members each from the employers' and the workers' sides. The committee would assess all available data, explore the possibilities of reaching an agreement on the question of bonus and make a report within a period of three months.

* At a meeting of the Bonus Committee held at New Delhi on 8 January 1956 agreement was reached on the payment of bonus for the years 1953-1956 in Assam, West Bengal and Tripura.

7.2 Progress of Implementation of the Plantations Labour Act, 1951

It was decided that the Plantations Labour Act, 1951, should be implemented fully with utmost speed. Rules should be finalised in all the States by the end of the year. The Associations should send a circular to their members in order to ensure that huts and other existing houses were kept in good repair until new houses were constructed. If labour had any complaint in respect of this or any other matter, they should write to the Associations or to the Government. The Committee agreed that the housing problem should be solved as early as possible.

7.3 Extension of the Employees' Provident Funds Act to Plantation Industry

It was decided that the Employees' Provident Funds Act, 1952, should be extended to cover the plantations. The State Governments would be consulted before the Act was so extended. In the meantime, copies of the Assam Act would be circulated to the associations for comments. It was indicated by the Assam Government that they would prefer to have their own Act rather than the Central Act extended to Assam.

7.4 Subjects Coming Up for Consideration At the Third Session of the ILO Committee on Work on Plantations (Geneva, October 1955)

No conclusions were reached on this item.

7.5 Grant of Leave With Wages to Women Workers Attending Sick Children

It was agreed that leave with wages would be allowed to women workers attending sick children either at home or in hospitals if the attending physician certified that their presence was necessary.

7.6 Upgrading of Workers

The principle of promotion from the ranks was agreed to and an assurance in this regard was given by the employers.

7.7 Refixation of Wages

The workers' group emphasised that there was a case for an upward revision of the prevailing rates of minimum wages. The rates should, therefore, be revised and thereafter efforts should be made to progress further towards a fair wage. The employers' group did not admit that there was a case for the revision of minimum wages.

It was decided that the suggestions of the workers' representatives would be forwarded to the State Governments as the objective to be arrived at was a suitable minimum wage rising to a fair wage.

7.8 Introduction of Standing Orders Under the Industrial Standing Orders Act, 1946

It was agreed that if any amendments to the existing Standing Orders were considered necessary from the workers' point of view, suggestions would be sent to the employers with a copy to the Labour Commissioner and they would be ready to negotiate and decide the matter.

EIGHTH SESSION

(Shillong, 21 January 1958)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

8.1 *Proposed ILO Convention and Recommendation on Conditions of Employment of Plantation Workers*

The Committee endorsed the amendments* suggested by the Government of India to the definition of the term "plantation" given in the texts of the proposed Convention and Recommendation.

8.2 *Amendment of the Plantations Labour Act, 1951*

It was agreed that fragmentation of estates into small units in order to evade the obligations under the Plantations Labour Act which was said to exist in certain places was an undesirable practice both from the point of view of labour welfare and the interests of the industry and that it should be discouraged. Suitable steps should be considered for the prevention of such fragmentation. Care should, however, be taken to ensure that no new burdens were imposed on small units already in existence.

Other proposed amendments† to the Act were generally agreed to. The question of the basis for the calculation of wages during the period of leave should, however, be examined further.

8.3 *Extension of the Industries (Development and Regulation) Act, 1951, to Plantations*

There was general agreement that though closures due to neglect and mis-management might not be wide-spread, all possible steps should be taken to ensure that a high level of efficiency was maintained in the industry and closures due to deterioration of assets and management were minimised. The State Governments might, after consultation with the Central Government, take necessary remedial measures for this purpose.

8.4 *Wage Board for the Plantation Industry*

(i) It was agreed that a Wage Board would be the most suitable machinery for the determination of the wage structure in the industry. In view, however, of the existing agreements on wages in certain States, the question as to when and in what manner a Wage Board should be set up for the plantation industry should be examined by a sub-committee to be set up for this purpose.

At the meeting of the sub-committee held at New Delhi on 23 April 1958, the employers' and workers' representatives expressed

* The amendments sought to ensure that the national authorities be left free to determine the scope of the term 'plantation'.

† These related to the extension of medical facilities to workers' families, the payment of wages in lieu of leave due at the time of termination of service, etc.

divergent views on the issue of setting up a Wage Board. The sub-committee decided that the question should be deferred for the time being.

(ii) The Committee also recommended that, as the previous bonus agreement for the plantation industry in North East India did not cover the payment of bonus from the year 1957 onwards, a sub-committee* should be set up to consider the question of payment of bonus by the tea gardens in Assam, West Bengal and Tripura.

8.5 Ratification of the Code of Discipline in Industry by Organisations of Employers and Employees in the Plantations

(i) It was agreed that the Code of Discipline already adopted by the Indian Labour Conference and the Standing Labour Committee was basically suitable. A Sub-Committee should, however, be appointed to consider whether supplementary provisions might be added to the Code to suit the special circumstances of the plantation industry. The Sub-Committee which met at New Delhi on 23 April 1958 adopted the Code with slight modifications.

(ii) The Committee recognised that inter-union rivalry was often an important cause of labour unrest and recommended the drawing up of an agreed Code of Conduct which the unions should observe in their relations with one another. While this was primarily a matter to be arranged by the trade union organisations between themselves, the Central Government might, if necessary, convene a conference of these organisations to consider the question.

8.6 Discharge and Eviction of Tea Garden Workers in West Bengal Following Dismissal of the Head of the Family

The Committee was of the view that there should be no discharge or eviction of other members of the family consequent on the dismissal of the head of the family. In cases of practical difficulty, the matter should be dealt with locally and settled through mutual adjustment.

8.7 Housing for Plantation Workers

It was agreed that while there should be no relaxation of the existing statutory obligations in respect of provision of houses for workers, the question of providing loans on easier terms for building houses should be studied by the sub-committee to be appointed for examining the feasibility of setting up a Wage Board for the plantation industry. In view of the scarcity of steel, cement and other building materials, suitable local building materials could be used freely. The State Housing Advisory Boards should prescribe necessary specifications for this purpose.

* It was decided at a meeting of the Sub-Committee held at Calcutta on 24 October 1959 that in the absence of any other agreement, the Delhi Agreement on bonus should hold good for the years 1957-1958 also. Agreement was later reached, at the instance of the Sub-Committee, on the payment of bonus for 1959, 1960 and 1961 also.

The Sub-Committee met at New Delhi on the 23 April 1958, and made certain suggestions for liberalising the conditions in the matter of granting loans under the Plantation Housing Scheme.

NINTH SESSION

First Meeting

(Calcutta, 23-24 October 1959)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

9.1. *Appointment of a Wage Board for the Plantations Industry*

The Committee unanimously accepted the need for the appointment of a National Wage Board for the plantations industry and set up a sub-committee to finalise the structure of the Wage Board and its terms of reference.

The Sub-Committee to which the question was referred recommended that the Board should consist of—

- (i) a Chairman to be appointed by the Central Government;
- (ii) not more than two independent members, nominated by the Central Government from amongst economists or other persons;
- (iii) three representatives each of plantation owners and plantation workers from the South nominated by their respective organisations; and
- (iv) three representatives each of the plantation owners and plantation workers from the Northern and North-Eastern region nominated by their respective organisations.

The Board might function in two sections, each consisting of the Chairman, one or both of the independent persons, and the representatives of employers and workers belonging to the South or the North and North-Eastern region as the case may be. It was also recognised that there might be occasions on which the two sections would have joint sessions. The Board would decide its own procedure.

The terms of reference of the proposed Wage Board might be as follows:—

To work out a wage structure based on the principles of fair wages as set forth in the Report of the Committee on Fair Wages as far as practicable.

Points to be borne in mind

In evolving a wage structure, the Board should, in addition to the considerations relating to fair wages, also take into account—

- (i) the needs of the industry in a developing economy;
- (ii) the system of payment by results;
- (iii) special characteristics of the industry in various regions and areas and of the various products;

- (iv) categories of workers to be covered (this may be according to the definition of 'workmen' in the Industrial Disputes Act); and
- (v) working hours in the industry.

EXPLANATION

Whenever applying the system of payment by results, the Board should keep in view the need for fixing a minimum (fall-back) wage and also to safeguard against over-work and undue speed.

The headquarters of the Board should be left to be decided by Government.

The recommendations of the Sub-Committee (as detailed above) were agreed to by the Committee. It was also agreed, on a suggestion made by the *Chairman* of the Committee, that pending the completion of the work of the Wage Board, the atmosphere should not be spoiled by agitations, raising of new issues, or indiscriminate appeals to the law courts. It was further recognised that existing agreements relating to wages would continue to be operative till the decision of the Wage Board became effective.

The Committee also noted that the Wage Board would not deal with the question of bonus.

9.2 Housing for Plantation Workers

It was decided that:—

- (i) a Central agency, consisting of representatives of the State Housing Boards set up under the Plantations Labour Act, should be constituted to examine the difficulties faced by plantation owners in implementing the housing programme and to suggest measures that would facilitate construction of houses by them;
- (ii) the difficulties encountered by employers in the matter of furnishing security for obtaining loans for house construction should be examined by the Government of India at a high level.
- (iii) where particular gardens sought exemption from the statutory provisions relating to the phased programme of housing, in view of their economic position, each such case should be examined and decided on its merits. There should be no general relaxation applicable to all, irrespective of their economic position; and
- (iv) detailed statistics regarding the progress made in the matter of housing from year to year in respect of the individual gardens should be collected.

9.3 Application of the Code of Discipline to the Plantation Industry

It was recognised that since the Code, as finalised at the sixteenth session of the Indian Labour Conference, was of wide applicability and had already been ratified by all the all-India organisations of employers and workers, no change need be made in its form or

content. However, it was agreed that in the case of plantations there should be no strike or lockout without at least seven days' notice, such notice being given only after the procedure prescribed in the Code for the peaceful settlement of disputes had been fully utilised.

9.4 *Employment Position in the Plantation Industry*

The Committee recommended that the Governments of the States, in which the plantations were located, should each set up a Committee to collect detailed information for the purpose of assessing the employment position on the plantations and for determining the number of workers who could be profitably employed in the plantations.

The employers' representatives agreed that pending the findings of these State Committees, there would be no intensification of the work-load and that for filling vacancies arising in the gardens preference would be given to resident workers.

9.5 *Norms of Wage Fixation for the Plantation Workers*

This subject was not discussed in view of the observations of the Chairman that this matter would be looked into by the Wage Board for the plantation industry when appointed.

Second Meeting

(New Delhi, 27 April 1960)

9.6 *Constitution of a Wage Board for Plantation Industry*

The conclusion of the Industrial Committee was that three separate Wage Boards should be set up, one each for tea, coffee and rubber. The Wage Board for tea would consist of a Chairman, two independent members and three representatives each of workers and employers. The coffee and rubber Wage Boards would each have a Chairman, two independent members and two representatives of workers and two of employers. The Chairman and the independent members of all the three Wage Boards would be common.

9.7 *Amendment of the Tea Districts Emigrant Labour Act, 1932*

This was not discussed since the employers' representatives wanted time so as to enable them to consult their respective organisations.

Third Meeting

(New Delhi, 3 August 1960)

Chairman—SHRI ABID ALI

9.8 *Movement of Surplus Labour From Surplus to Deficit Areas With in Assam*

(i) In view of the existence of a sizeable surplus labour in some tea districts of Assam, no fresh recruitment should be made from outside the State except with the permission of the Central Government. Active steps should be taken to encourage the movement of labour from surplus areas to deficit areas.

(ii) A special employment exchange for plantation labour should be set up at a suitable place in Assam for the transfer of labour from surplus to deficit areas. A tripartite advisory committee should also be constituted to advise and assist the employment exchange in the discharge of its duties.

(iii) A proper scheme of movement of labour, based on suitable incentives, should be drawn up by the advisory committee in consultation with the concerned interests. If any cash inducements offered were spread over a number of years, there might be less chance of labour abandoning their new places of employment precipitately.

9.9 *Amendment of the Tea Districts Emigrant Labour Act, 1932*

(i) The Tea Districts Emigrant Labour Act should be amended in order to make it obligatory on the part of garden managers to obtain permits from a prescribed authority for recruiting labour from outside Assam. Such permits would ordinarily be issued if the special employment exchange was unable to arrange for the supply of labour from within the State within a specified time. The permits would indicate the number of workers to be recruited.

(ii) The Act should also be amended to provide for the imposition of a penal cess in case of illicit recruitment and for the effective prosecution of persons resorting to illicit recruitment.

9.10 *Discouragement of Illicit Recruitment*

It was agreed that active steps should be taken to discourage illicit recruitment. The organisation of the Controller of Emigrant Labour should be suitably strengthened, and the Controller and Inspectors should make more frequent inspections with a view to detecting cases of illicit recruitment. In this the Controller should be fully supported by employers' organisations and trade unions.

9.11 *Continuation of Arrangements for the Repatriation of Assisted Emigrants*

The employers agreed that in the event of the winding up of Tea Districts Labour Association they would make suitable alternative arrangements for the repatriation of emigrant workers:

- (i) Emigrant workers returning to the various States would be assembled in batches at a central place in Assam and would be sent with an escort to a convenient central place in each of the main recruiting States. The employers would purchase tickets and make railway reservations and other necessary arrangements.
- (ii) The subsistence allowance payable to workers during the journey would be raised from Rs. 1.50 to Rs. 2.50 per day in the case of adults and from Re. 0.75 to Rs. 1.75 in the case of minors.
- (iii) A rest room or rooms of adequate size providing sleeping accommodation, water facilities and sanitation would

be maintained at Gauhati, Katihar, Ranchi and Vizianagram for a period of three years. The room or rooms at each place would be under the charge of a care-taker.

- (iv) Notice should be given to emigrant workers who had previously postponed their rights of repatriation that such of them as wish to exercise their rights of repatriation should do so within three years and that repatriation rights would thereafter be extinguished.

9.12 *Repeal of the Tea Districts Emigrant Labour Act, 1932*

It was decided that the whole position should be reviewed after a period of three years. If it was found that local labour was sufficiently mobile, that organised recruitment of emigrant workers from outside Assam had ceased, and that there was no illicit recruitment, Government would consider the question of repealing the Tea Districts Emigrant Labour Act.

Fourth Meeting

(Calcutta, 9 November 1960)

Chairman—SHRI ABID ALI

- 9.13 *The point for consideration was whether a National Tribunal would be preferable to separate Wage Boards as recommended earlier.*

The Industrial Committee adhered to its previous decision to have Wage Boards for the tea, coffee and rubber plantations in preference to a National Tribunal. The Committee also unanimously agreed to limit the number of employers' and workers' representatives on the Wage Board for Tea to two each, as in the case of other Wage Boards. It was further agreed that during the temporary absence of any employers' or workers' representative appointed to the Wage Board, an alternate member would be permitted to attend in his place.

TENTH SESSION

(New Delhi, 21 September 1961)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

- 10.1 *Action Taken on the Main Conclusions/Recommendations of the Previous Session*

The statement on action taken on the conclusions of the previous session was not discussed in detail. However, a workers' representative complained of breaches of the Code of Discipline in some plantations in West Bengal. He was advised to place such cases before the State implementation body.

10.2 *Housing for Plantation Workers*

It was agreed that the Ministry of Labour and Employment would set up, in consultation with the Ministries of Works, Housing

and Supply and Commerce and Industry, a working group to go into the whole question of finance and devise ways and means to ensure the speediest possible completion of the housing programme.

10.3 Payment of Provident Fund Dues to Tea Garden Workers on the Lines of the Assam Tea Plantations Provident Fund Scheme

The workers' representatives from West Bengal as well as the representatives of the Indian Tea Association and Indian Tea Planters' Association suggested that the Assam scheme might be made applicable to the West Bengal plantations also.

The Chairman informed the Committee that steps were being taken to ensure the provident fund payments were made more expeditiously. The steps under consideration included (i) opening of local offices, (ii) granting of exemptions, and (iii) adoption of such features of the Assam scheme as might be found practicable.

10.4 Fixation of Wages on the Basis of Eight Hours' Work Per Day or Forty-Eight Hours Per Week

This was not considered by the Committee since it was already covered by the terms of reference of the Wage Board.

10.5 Fixation of a Ratio of Employment of Workers on Plantations on the Basis of Acreage Under Tea and Discontinuance of the System of Engagement of 'Bigha' (Temporary) Labour

It was agreed that State Governments would collect all necessary information regarding employment of temporary persons from outside. If necessary, some aspects of the question might be studied also by the Director, Labour Bureau, along with the proposed survey of absenteeism.

The question of fixation of a ratio of employment of workers on the basis of acreage under tea could be raised before the Wage Board.

10.6 Absenteeism

It was agreed that a proper study of the problem should be carried out by the Director, Labour Bureau, in consultation with the interests concerned. The organisations would send in their suggestions to the Director, Labour Bureau, in this regard.

10.7 Difficulties in the Enforcement of the Plantations Labour Act, 1951

(i) It was agreed that the definition of the term 'employer' should be amended so as to cover also any person who might be in actual charge of management in India.

(ii) It was agreed that the question of registration of plantations might be considered in consultation with the Tea, Coffee and Rubber Boards.

(iii) The Chairman informed the Committee that the question of appointing welfare officers would be discussed by the Standing

Labour Committee, and parties could send their views to the Government for incorporation in the paper to be prepared for the Committee's consideration.

10.8 Abolition of Contract System

The employers' representatives stressed that it was necessary to employ contract labour during the peak season after resident labour had been fully employed. While agreeing that it might, at times, be necessary to recruit additional labour from outside for a temporary period, the workers' representatives stressed that such labour should be employed and paid directly by the employer and enjoy all the rights and amenities available to labour directly employed by management.

The Chairman informed the Committee that the views expressed above would be placed before the Indian Labour Conference which would discuss the entire question of contract labour at its forthcoming session.

10.9 Payment for Sick Leave

As this was a question of enforcement of a provision of the law it was for the State Government to look into the matter.

10.10 Education of Workers' Children

As the matter was essentially one for the State Governments to settle, it was decided that the views expressed in the meeting should be communicated to the State Governments concerned.

10.11 Weighment of Crop at the Work-Site

The Committee was informed that there was already a tripartite agreement on the subject in Kerala. Any breach of the agreement should be referred to the tripartite committee there.

10.12 Leave with Wages of Temporary Workers

It was explained that granting of leave under the Plantations Labour Act was not contingent upon 240 days' continuous attendance. If leave was denied to any worker, the matter could be taken up with the State Governments concerned.

10.13 Wage Fixation in Minor Plantations

It was agreed that the question of setting up Wage Boards for minor plantations like cardamom and cinchona should be left to the State Governments.

10.14 Wage Board for Tea Plantation Industry—Presence of Advisers

It was agreed that the question whether advisers should be allowed to be present during the meetings of a Wage Board might be left to be decided by the Board itself. So far as the Government was concerned there would be no direction or objection in this regard in view of the above.

10.15 Abolition of 'Hatbahar' System

The Committee reiterated its earlier decision taken at the eight session that the dismissal of the head of a family should not result in the discharge of other members of the family. If there were any complaints in this regard, these would be disposed of by the State Governments concerned.

10.16 Disposal of a Sum of Rs. 17,194.03 Deposited With the Controller of Emigrant Labour for Disbursement As Bonus to Repatriated Workers

It was agreed that efforts should be made to disburse the money lying with the Controller of Emigrant Labour to the proper persons. Any amount left undisbursed, should be made over to the Welfare Fund constituted by the Government of Assam.

10.17 Factories Situated in Plantations—Bringing Under the Coverage of the Plantations Labour Act, 1951

It was agreed that factories on plantations should continue to be covered by the Factories Act. However, the practice of extending to the employees of such factories and their families all amenities and benefits available to the workers on plantations should be continued.

10.18 Registration of Plantations—Amendment of the Plantations Labour Act, 1951

This has already been covered under item 10.7

10.19 Other Matters

The Chairman informed the Committee that employers from the South had brought to his notice that some unions were agitating in respect of matters covered by the Wage Boards.

After some discussion the Committee reiterated its earlier decision that no agitation or dispute should be raised in regard to matters which were covered by the terms of reference of the Wage Boards.

CHAPTER IV

THE INDUSTRIAL COMMITTEE ON COAL MINING FIRST SESSION

(Dhanbad, 23—24 January 1948)

Chairman—SHRI V. K. R. MENON

CONCLUSIONS

1.1 Amendments to the Mines Act

The amendments proposed were considered clause by clause. The views expressed were noted.

1.2 A Brief Summary of the Activities of the Coal Mines Labour Welfare Fund

This item which was for information led to no discussion.

1.3 Training Schemes

The points for consideration were:—

- (i) whether immediate steps should be taken to start a Mechanisation School;
- (ii) whether the main financial responsibility for the school should be that of the industry; and
- (iii) whether students to the school should be paid stipends adequate for their subsistence and training expenses and that such stipends should be met by the collieries deputing the students.

The employers' representative said that if Government bore the capital cost of the School, the employers would certainly agree to send students and to pay the recurring costs.

The Chairman concluded the discussion with the remark that the scheme was accepted by the Committee.

1.4 Resolution Adopted at the Second Session of the Coal Mines Committee of the ILO and the Action Taken by the Government of India.

A workers' representative referred to the ILO Committee's resolution regarding the application of the Mine-workers' Charter to economically less developed countries and suggested that targets should be drawn up as suggested in the resolution in consultation with the representatives of employers and workers.

The Chairman agreed with this in principle and indicated that a programme of action with suitable targets would be prepared for consideration at the next meeting of the Committee.

1.5 Provident Fund Scheme for Coal Mines

After some discussion the following scheme was taken as a basis for subsequent discussion:—

Membership of the Provident Fund:

INITIAL—say on 30th June 1948,

(i) Every worker who qualified for the annual bonus—employer will pay one anna of the basic wages earned during the period and recover an equal amount from the bonus payable to the worker. Both the amounts will be remitted to the Central Fund.

(ii) Every worker who had worked, in the case of underground workers for 2/5th and for surface and other workers for 3/5th of the number of days the mine worked in the period 12-5-47 to 30-6-48, whether or not working on 30-6-48—employer will remit one anna of the basic wages earned to the Central Fund. The worker will not be required to contribute.

(iii) Every worker who had worked, in the case of underground workers for 2/5th and in the case of surface workers 3/5th of the number of days the mine worked from 1-4-48 to 30-6-48, will be made a member with effect from 1-7-48; and if he was not then working, from the date he joins work.

LATER—

(iv) Every worker who qualifies for the bonus in any calendar quarter—employer will contribute one anna of the basic wage for the quarter and recover from the worker an equal amount from the bonus and remit both to the Central Fund.

(v) Every worker who works, in the case of underground workers for at least 2/5th and in case of surface workers at least 3/5th of the days the mine is worked in any quarter—employer will pay from beginning of quarter and the worker from commencement of the next quarter.

After some discussion the *Chairman* assured the Committee that the Government would reconsider the qualification for membership if it acted as a restriction.

He also suggested the acceptance of Clauses (iv) and (v) substituting therein 30 per cent. and 40 per cent. This was accepted.

The *Chairman* then proposed that if the employer was to contribute even when the employee had not put in a minimum number of days' work, such contribution should not go to the employee but might be utilised for some other purpose. He said that in order to provide an incentive to encourage labour to stabilise itself, there might be some restriction on the worker having the benefit of the employer's share if he did not work for a certain percentage of days. There was a fair amount of agreement that some percentage limit would have to be there at some stage or other, and so, as a modification of the scheme, the employer would contribute even if the worker had worked for a single day in the week.

The charge for administrative expenses was accepted on behalf of the employers as it would not make any difference for them.

The Chairman said that withdrawal might be permitted only in cases of prolonged illness but not for marriages, funeral, etc. but even this would be left over for consideration till the scheme had worked for a year or so.

1.6 Stabilisation of Labour in Coal Mines

The Committee considered a note from the Ministry of Industry and Supply, intended to ascertain whether an abnormal situation was developing in the sense that there were more people working than in the corresponding period 12 months ago and whether there was really surplus labour.

Divergent views were expressed on the subject and no conclusion could be reached.

The Chairman concluded the discussion by saying that the discussion had been useful and would enable Government to consider the matter further.

1.7 Standardisation of Employment, Attendance, Output, Pay Roll Registers in Coal Mines

Two forms had been suggested for adoption—one on attendance and the other on payment. The attendance registers as suggested were already agreed to by the Committee while discussing the amendment of the Indian Mines Act (Section 28) at its first session. Discussion centred round the proforma for the payment register.

A Sub-Committee was formed to report on the question in a week. The Sub-Committee which met on 27 January 1948 finalised the proforma.

1.8 Attendance and Production Bonus

The Chairman invited comments on the suggestion that bonus should be paid quarterly and said that the only other point related to qualification; whereas the Board of Conciliation* had laid down the number of days of attendance, the proposal now was to have a certain percentage of the days worked.

At the end of the discussion *the Chairman* announced that the workers were agreeable to accept the attendance qualification of 70 per cent. of the working days for the underground workers with quarterly payment; the days of involuntary unemployment due to breakdown in the mine would not be counted as working days while leave with pay would be counted as days worked. The percentage attendance for surface workers would be 85. He said that this was acceptable to the workers and the employers. Government would accept this arrangement. The agreement reached covered also the point that there should be a straight four months' bonus, instead of separate attendance and production bonuses as envisaged by the Conciliation Board.

*Constituted under the Trade Disputes Act, 1929, for settling disputes in coal-fields of Bengal and Bihar, the Board submitted its report in April 1947. Its recommendations covered issues relating to wage rates, dearness allowance, annual bonus leave, hours of work, institution of provident fund etc.

1.9 Improvement of Statistics of Labour and Production in Coal Mines

The Committee had before it three forms for the collection of important statistics so as to enable the publication of monthly figures and indices thereof on employment, attendance, absenteeism, earnings and output.

This subject was also referred to the Sub-Committee appointed for Item 1.7 above. The Sub-Committee approved the forms with slight modifications and decided that, for the time being, the registers should be maintained in English.

1.10 Abolition of Contract System of Labour in Railway Collieries

It was explained that the need for abolishing the contract system in railway collieries had been urged for a very long time and had also been referred to by the Conciliation Board the previous year. The Ministry of Industry and Supply, in agreement with the Ministry of Labour, had since then followed a policy of gradual abolition of the system and by 1 February 1948, six collieries would have come on to departmental working leaving four, of which three, Kargali, Bokaro and Kurasia, were the biggest. The principle of abolition had been accepted but some time would elapse before they could undertake departmental working at Bokaro, Kargali and Kurasia.

There was general agreement that with the assurances given, the matter could be left to be suitably dealt with by Government.

SECOND SESSION

(Dhanbad, 13-14 September 1948)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

2.1 Labour-Management Relations in Coal Mines

In winding up the debate, the Chairman said that he would favour the formation of Works Committees, both regional and zonal, as the most suitable means of promoting good labour-management relations.

2.2 Contract Labour in Coal Mines

After some discussion on the abolition of contract labour the Chairman suggested the continuance of the existing system undisturbed for the present pending collection of further statistics on the subject. He agreed with the ultimate aim of doing away with the system. It was only a question of time as adequate provision had to be thought about and made against the possible repercussions it might have on labour.

2.3 Statutory Provision for Working of Collieries on Sundays Preceding/Succeeding the Declared Public Holidays at Normal Rates

The matter was postponed as it did not appear necessary to make a general provision since closed holidays allowed were few and far between.

2.4 Question of Continuing the Concessionary Issue of Cloth and Foodgrains to Colliery Labour in the Context of the Present Abnormal Prices

Discussion on the item was postponed at the Chairman's suggestion, though employees wanted the discussion to continue.

2.5 Lead and Lift Rates Payable to Colliery Labour In Accordance With the Recommendation of the Conciliation Board

After some discussion the Chairman suggested that a small Committee should go into the question of how the lead and lift question actually affected various collieries. It was agreed that the existing system would continue until the Sub-Committee submitted their report and the Government took a decision in the matter.

2.6 Supply of Footwear at Concessional Rates to Colliery Workers

The Chairman thought that a Committee of experts should be constituted to report on the type of footwear that would be suitable and on the percentage of cost that should be borne by the workers. About uniforms, the Chairman's view was that the cost of these should be borne by the miners and should be deducted from the bonus. He decided to set up two small committees, one to go into the incidence of cost of footwear concession, and the other to recommend the type of footwear suitable for miners.

He would not agree to the issue of free uniforms but could ask the Welfare Fund Department to procure and make them available at cost price through their Consumer Goods Section. He thought that the use of footwear might be made compulsory and that steps should be taken to guard against the possibility of miners selling shoes obtained on a concessionary basis in the black market. He said that after the pattern, etc. were finalised, the question of distribution of footwear through a Central Pool could be considered.

2.7 Coal Mines Provident Fund Scheme (General Review)

The Central Government representative briefly narrated what had been done in regard to the Scheme.

After some discussion, the Chairman said that the Scheme should be tried for one year to see whether it was workable. He said that his intention was to stabilise the labour force in the coalfields. This was accepted.

2.8 Retrenchment of Labour, Closing Down of Mines and Problem of Surplus Labour

After some discussion, the Chairman said that there should be statutory obligation on the part of owners to inform the Chief Inspector of Mines a month before he closed his mine. In some collieries, there was retrenchment on one side and recruitment on the other. He suggested that a sub-committee should be set up to report urgently on the question of retrenchment and decasualisation of colliery labour.

THIRD SESSION

(Dhanbad, 28 March 1951)

Chairman—SHRI V. K. R. MENON

CONCLUSIONS

3.1 *Activities of the Coal Mines Welfare Fund for the Year 1949-50*

The Chairman said that the Welfare Fund had recently offered a subsidy of 20 per cent. of the cost of construction of houses subject to a maximum of Rs. 600 per house. But the response from the employers had not been very encouraging.

After the employers' representatives had explained their difficulties, the Chairman said that the Welfare Fund's resources were not unlimited, and taking all factors into account, the present offer of subsidy was the limit to which the Fund could go. When once the industry had accepted the extent of subsidy offered by the Fund, he would be prepared to discuss any problem with anybody as regards the actual execution of the Scheme.

3.2 *Review of the Working of the Provident Fund and Bonus Schemes*

There was a general discussion. The points raised were noted.

3.3 *Problem of Surplus Labour in Coal Mines Including Retrenchment*

After some discussion the Chairman said that stopping further recruitment along with a sifting check of the colliery registers should partially meet the problem of surplus labour and wastage of food-stuff on bogus ration cards.

He was sorry to find that the view of the employers and the labour representatives were divergent on the issue of surplus labour and suggested the consideration of the issue along with the other Item No. 3.6 namely, "Food grain and cloth concessions", by a small Committee representing the interests concerned.

When the meeting reassembled in the afternoon, the Chairman said he was sorry to observe that the Sub-Committee appointed in the morning could not come to any settlement. He thought that no useful purpose would be served by further discussion of the matter.

3.4 *Different Measures for Improving Production Including Piece-rate Work and Production Bonus*

No specific conclusion was reached on this item.

3.5 *Footwear for Coal Miners*

It was decided to initiate a pilot scheme in one of the collieries where accidents were frequent, in consultation with the Chief Inspector of Mines, the cost of footwear required being met by the workers and the Welfare Fund on a half-and-half basis.

3.6 Food-grain and Cloth Concessions

The Chairman said that this item was closely associated with item No. 3.3, viz. "Problem of surplus labour in coal mines including retrenchment", on which unfortunately no agreement could be arrived at.

He said that in as much as the present system of supply of food grains was not a permanent feature and as it had been reported that it was working satisfactorily there was no reason to disturb the status quo.

FOURTH SESSION

(New Delhi, 21 April 1952)

Chairman—SHRI V. K. R. MENON

This was a special meeting called for the purpose of considering the Report of the Working Party for the Coal Industry, 1951.

CONCLUSIONS

4.1. Linking of Minimum Wages, Bonus and Foodgrains and Other Concessions With a Unit of Production and Introduction of Piece Rates Wherever Possible—

(i) Should the piece rate system be extended? To which other categories?

The Chairman noted that the consensus of opinion was against the extension of the piece rate system to other categories of workers.

(ii) Should the present system of bonus be replaced? If so, what system should be introduced?

The Chairman felt that no useful purpose would be served by making any change in the present bonus system. There was statutory difficulty in converting it into an annual bonus. Further, the Board of Trustees of the Provident Fund had recently recommended that in order to simplify procedure the contribution should be recovered quarterly from the bonus amount instead of being recovered weekly. This would be nullified if the quarterly bonus was converted into an annual one. He would, therefore, suggest that the existing bonus system should continue unchanged.

(iii) Should foodgrain concessions be linked with production? If so, on what basis?

After some discussion the Chairman said he saw no useful purpose in discussing the question further as there was complete difference of opinion between the employers' and the workers' groups as to whether food grain concessions should be linked with production.

4.2. Housing

One of the employers' representatives said that the collieries had taken up the building of houses according to new specifications. He felt, however, that in order to help the colliery owners to get on

with the plan, certain modifications should be made in view of the shortage of materials.

The Chairman made it clear that the specifications would not be lowered further under any circumstances. But so long as houses were being actually built some relaxation might be allowed in respect of the materials used. He did not agree that the cost was prohibitive. For a house built for Rs. 2,500 there would be a subsidy of 20 per cent. which meant the employer's cost would be only Rs. 2,000. He was prepared to consider minor adjustments so long as the houses for all practical purposes were of the required specifications. But he would under no circumstances consider any change in the plinth area and accommodation.

4.3 Mechanisation

There was a discussion on the Government resolution dated 8 April 1952 on the subject issued by the Ministry of Works, Production and Supply. The employers' representatives raised the question of small mines where mechanisation might be uneconomic and the workers' representatives referred to the possibility of retrenchment.

The Chairman thought that the words "mechanisation as far as practicable" (occurring in the Government resolution) covered cases where mechanisation might be uneconomic. It also gave enough protection against any big retrenchment in the existing mines.

4.4 Labour Relations

The recommendations of the Working Party were that there should be bipartite bodies of employers and workers to settle differences both at the pit level as well as at higher levels—the tripartite body coming in only to settle differences which could not be resolved in this manner.

Winding up the discussion, *the Chairman* noted that while the Working Party's recommendations were acceptable both to employers' and workers' representatives, the workers' representatives were keen on the recommendation relating to plebiscite as they felt that unless this was carried out the other parts of the recommendations might not work properly. The employers' representatives had no objection to the principle of plebiscite. There were, however, practical difficulties in holding plebiscites but he promised that the matter would be examined.

4.5 Abolition of the Contract System of Labour

The Chairman did not think that the subject required much discussion as Government had already agreed to the abolition of the contract system and were pursuing the matter.

He also said that the whole question of continuing the Gorakhpuri labour force would be examined and placed on the agenda of the next session of the Committee. Meanwhile, the question of associating a workers' representative with the administration of the Gorakhpuri labour force would be pursued.

4.6 Adequate Supply of Tubs and Wagons

The Chairman informed the Committee that action had been initiated by the Ministry of Works, Production and Supply for getting the allotment of tub-materials increased by 30 per cent. Referring to the shortage of tubs, he said that the industrial relations machinery of the Ministry of Labour would, during their inspections, study the tub position and if any such shortage was found the matter would be reported to the Labour Ministry after discussion with the parties concerned.

4.7 National Coal Board and Welfare Fund

The Chairman said that the provisional view of the Government was that the *status quo* should remain both in regard to the administration of the Welfare Fund and the cesses. He explained that the cesses were already being collected by a single agency, namely, the Railways. Whatever economy was possible through collection by a single agency had already been achieved and unless the intention was that a greater portion of the welfare cess should be diverted to other purposes there was no point in consolidating the cesses into one.

With regard to the question of amalgamation of the welfare organisation with the Coal Board or the Coal Commissioner's organisation he explained that it would be a mistake to think merely in terms of Ministries. Even if the organisation relating to labour welfare and industrial relations were also to be under the Coal Commissioner, the employers would still have to come to the Labour Ministry in respect of labour matters.

The Chairman thought that the amalgamation or the creation of autonomous bodies would not be in the employers' interests at this stage and would only create confusion. After all, they would have to deal with the local authorities and to that extent their having to deal with different Ministries did not arise.

FIFTH SESSION

(New Delhi, 7-9 August 1956)

Chairman—SHRI KHANDUBHAI K. DESAI

CONCLUSIONS

5.1 Water Supply

The Committee made the following recommendations:—

(i) The bigger schemes would be considered in consultation with the State Governments and, if these could not be executed because of lack of funds or for any other reason, smaller schemes for groups of mines or even single mines would be considered and steps taken to implement them within the next three months.

(ii) Action on the scheme prepared by the Singareni Colliery Company and submitted through the State Government should be expedited.

(iii) The available supply of water should be distributed equitably.

(iv) Employers' and workers' members of the Coal Mines Welfare Fund Advisory Committee should also be represented on the Water Boards in Jharia and other places. A resolution to this effect should be passed by the Advisory Committee and communicated to the State Governments concerned for compliance.

(v) The question of water supply in Asansol should also be taken up expeditiously. The survey that had been undertaken should be completed as early as possible.

5.2 Amendment of the Mines Act

The proposed amendments to the Mines Act were discussed clause by clause by a Sub-Committee. The views expressed by the Sub-Committee were noted for consideration in finalising the amendments.

5.3 Amendment of the Coal Mines Bonus Scheme

The Committee agreed that—

- (i) the unclaimed bonus should be utilised for labour welfare; and
- (ii) in order to enable Government to review the working of the bonus scheme, both the workers' as well as the employers' organisations would send, within a period of six weeks, separate memoranda containing their suggestions on the subject to the Government.

5.4 Revised Draft Regulations Under the Mines Act, 1952

The draft Regulations were considered by the same Sub-Committee that examined the amendments to the Mines Act. The points made by the workers' as well as the employers' representatives on the Sub-Committee were noted for consideration in finalising the Regulations for publication in the Gazette.

5.5 Recommendations of the Courts of Inquiry on Which Decision Was Pending and the Advice of the Committee Was Necessary

Some of the recommendations of the Courts of Inquiry which were appointed to investigate into accidents, which occurred in the Jharia Coalfields in December 1954 and February 1955, were not acceptable for reasons explained by the Chief Inspector of Mines. The Committee agreed that the views of the Chief Inspector of Mines should be accepted.

5.6 Prohibiting Women from Working in Open-cast Mines

It was agreed that women workers should be allowed to continue to work in open-cast mines and that the notification issued on the subject should be regularised by suitably amending Section 46 of the Mines Act.

5.7 Abolition of Contract Labour

(i) There was agreement on the abolition of the contract system, though the date by which it should be abolished was not agreed upon. It was further agreed that there should be no extension of the contract system.

(ii) It was felt that certain categories of workers would have to remain under the contract system and the workers' and employers' representatives agreed to send (within a period of six weeks) proposals in respect of the categories of workers who should be exempted from the general principle of abolition of the contract system.

(iii) In order to ensure that the workers employed by the contractors got what was due to them, the employers would—

- (a) introduce a fair wage clause in the contracts;
- (b) accept responsibility for supervising payments to contract labour; and
- (c) deduct from the contractors' bills any money due to the contract labour but not paid to them.

5.8. Model Standing Orders for the Coal Mining Industry

It was agreed that draft Standing Orders would be prepared and circulated by the Central Government within three months and efforts would be made to finalise them in consultation with the employers' and workers' organisations within a period of six months.

5.9 Extension of the Provisions of the Award of the All-India Industrial Tribunal (Colliery Disputes) to the Workers Employed in Coke Plants

The proposal for the extension of the provisions of the Award to the workers employed in coke and other plants were agreed to.

5.10. Formation of a Pool of Retrenched Workers in Collieries

(i) The coal areas would be divided into circles and an employment exchange set up in each circle.

(ii) The names of workers retrenched from the collieries within each circle would be kept on a register at the employment exchange.

(iii) The employers would send the names of the retrenched persons to the employment exchange in the circle and also write to the exchange whenever new recruitment was necessary so that workers retrenched in one mine might be diverted to another mine where recruitment was taking place.

(iv) These circles would ordinarily be of a radius of five to ten miles so that people might not have to move to remote places for employment.

(v) The workers' and employers' representatives would be associated in the working of such employment exchanges in an advisory capacity.

5.11 Welfare Facilities Under the Mines Act and Rules

(i) A statement showing instances where welfare amenities were not being provided in accordance with the legal requirements and indicating the reasons therefor should be prepared in consultation with the employers' and workers' organisations and circulated to the organisations within a period of six months.

(ii) In view of the problems which might arise on account of shortage of cement and steel, the committee was of the view that the question of revision of specifications for canteens, shelters, etc. might also be considered.

(iii) A roster should be prepared for the inspection of all the mines by all possible agencies, namely, (a) the Inspectorate under the Chief Inspector of Mines, (b) the officers under the Chief Labour Commissioner, and (c) the officers under the Coal Mines Welfare Commissioner. As far as possible, the services of the officers of the State Governments working in the locality would also be utilised for the purpose, particularly in the outlying areas.

(iv) The functions of these officers (other than those under the Chief Inspector of Mines) would consist of detecting cases of non-compliance with statutory requirements and making reports to the Chief Inspector of Mines. The responsibility for taking action would, however, lie only with a single authority, namely, the Chief Inspector of Mines, who would ensure that adequate action was taken on the reports received.

(v) A return of all such reports on non-compliance and the action taken thereon would be prepared and presented in a suitable form to the Committee at an appropriate stage.

(vi) Workers would be associated in the administration of welfare amenities.

(vii) Mine-owners would send periodical returns, quarterly or half-yearly, regarding the progress made in the provision of welfare amenities prescribed under the Act and the Rules.

SIXTH SESSION

(New Delhi, 21 February 1959)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

6.1 Action Taken on the Conclusions of the Fifth Session

(i) *Water Supply*—The question of employers' and workers' members of the Coal Mines Welfare Fund Advisory Committee being included in the Water Board in Jharia should be taken up again with the State Government concerned. (Also see under item 6.8)

(ii) *Amendment of the Mines Act*—The amending Bill should be introduced in Parliament at an early date. In case there was any delay in the legislation, the managements should consider giving effect to the provisions already agreed upon, namely, overtime and annual leave, on a voluntary basis from 1 June 1959.

6.2 Abolition of Contract System of Employment in Coal Mines

No new category of work should be brought under the contract system. If any new category had been brought under the contract system after August 1956, the position should be rectified.

Shri A. B. Guha, Mining Adviser, Ministry of Steel, Mines & Fuel and Shri S. P. Mukherjee, Chief Labour Commissioner, should jointly carry out a study and submit a report covering all aspects of the question and with special reference to the categories of work which should be allowed on contract basis.

6.3 Abolition of Coalfields Recruiting Organisation and Other Private Labour Camps and the Further Continuance of the Gorakhpur Labour Organisation

The Gorakhpur Labour Organisation might continue, for the present, for purposes of recruitment only but all forms of control or regulation exercised separately over Gorakhpur labour after recruitment should cease. There should be a joint co-operative organisation which should look after the various aspects of recruitment, training and welfare of all labour so that there was no distinction between the Gorakhpur labour and other labour.

Steps should be taken to devise a scheme for this purpose.

6.4 Conclusions of the Ad Hoc Meeting of the Coal Mining Interests Held in Calcutta on 3 August 1958

The conclusions of the *ad hoc* meeting related mainly to the extension of the period of operation of the Coal Award and other connected matters. These were noted.

6.5 Revision of Standing Orders in the Coal Industry

This was referred to the Sub-Committee contemplated under item 6.16.

The Sub-Committee met at Calcutta on 12-13 March 1959 and considered the basis of revision. The views expressed by the employers' and workers' representatives were noted for guidance in framing the revised Standing Orders.

6.6 Re-employment of Workers Partially Disabled by Accidents and Workers Cured of T.B.

Wherever possible workers disabled through accidents should be re-employed in suitable light jobs. Employers also agreed to participate in schemes of auxiliary employment to be worked out by the Coal Mines Welfare Commissioner.

6.7 Inclusion of Malis, Sweepers, Domestic Servants, Colliery School Teachers and Non-working Miners' Sirdars Within the Scope of Coal Mines Provident Fund Scheme

Teachers, malis, sweepers and domestic servants who were on the pay roll of a Company should be allowed to participate in the Provident Fund. Non-working sirdars, who performed some production functions, should also be allowed to participate.

6.8 Water Supply in the Coal Fields

There should be a Special Officer of a high level in the Coal Mines Welfare Organisation to deal with this question at least for the time being. Steps should be taken to get the services of a Public

Health Engineer for this purpose with the help of the Health Ministry. The Sub-Committee contemplated under Item 6.16 should also go into the whole question and suggest suitable steps for the solution of the problem.

The Sub-Committee met at Dhanbad on 19 August 1959 to consider this subject. After considerable discussion, the Sub-Committee came to the following conclusions:—

(i) The highest priority should be given to the problem of water supply in the coalfields.

(ii) Since one important reason for the present lack of progress was divided responsibility for the provision of water supply, one single authority should be responsible for the execution and management of the water supply scheme in each area. The question whether it was feasible to have a Central authority for the whole country for the purpose, or whether there should be a separate Water Board with sufficient powers and resources for each coalfield, should be examined by Government. All interests concerned including labour should be adequately represented on such Water Boards or other concerned authority.

(iii) Meanwhile where good feasible schemes were put forward by managements, the Coal Mines Welfare Organisation should come forward with a helping hand for assistance on an *ad hoc* basis.

6.9 Review of the Position Regarding Provision of Pit-head Baths and Creches at the Coal Mines

The Coal Mines Welfare Commissioner would issue a suitable questionnaire and obtain full information about the present situation including the difficulties standing in the way of progress in the construction of baths. The matter would thereafter be examined with particular reference to design and location of baths.

Mines employing 25 women should provide creches.

6.10 Functioning of Works Committee in Collieries

The Central and State Rules should be studied and appropriately amended with a view to removing the obstacles in the way of successful working of these Committees.

6.11 Gratuity and Old Age Pension

The question should be examined by the Sub-Committee contemplated under item 6.16 in the light of the recommendations made by the Study Group on Social Security.

*6.12 Conclusions Reached at the Mines Safety Conference**

These were noted.

*A special Safety Conference composed of representatives of Governments, employers, workers, mine managers, experts, members of Parliament and eminent men from universities was convened to consider the human as well as the technical aspects of safety. The first session of the Conference was held at Calcutta on 5-6 August 1958 and the second and final session at Dhanbad on 28 January 1959. The recommendations of the Conference covered safety aspects of recruitment training and education of workers the promotion of safety consciousness through propaganda, technical matters connected with accident prevention and the respective roles of workers, management and the Government machinery in the matter of promoting safety and preventing accidents. The Conference also set up a number of technical committees to deal with specific problems.

6.13 *Implementation of the Code of Discipline in the Coal Mining Industry*

There should be a special officer, stationed in the area, to ensure the smooth implementation of the Code. The Sub-Committee contemplated under item 6.16 would deal with general matters connected with the Code.

6.14 *Training Scheme for Coal Mine Entrants*

The Training Scheme would be re-examined by a Sub-Committee consisting of two employers' representatives, two workers' representatives, the Chief Inspector of Mines and the Mining Adviser, Ministry of Steel, Mines and Fuel.

6.15 *Grant of Paid Festival Holidays to Doctors Employed in Collieries*

No specific action was recommended on this subject.

6.16 *Proposal to Constitute a Sub-Committee for Discussing General Problems Concerning Workmen Employed in the Coal Industry*

The Sub-Committee for the purpose should consist of one government representative and one representative each from the employers' and worker's organisations represented on the Industrial Committee on Coal Mining.

The Sub-Committee's recommendations in respect of revision of Standing Orders and water supply appear under items 6.5 and 6.8 above. Other matters considered by the Sub-Committee included: (i) matters arising out of the Coal Award, (ii) introduction of grades and time scales for workers, (iii) revision of rates of sick khoraki, (iv) definition of continuous service for the grant of return railway fare, and (v) average wages for purposes of payment on paid festival holidays. As a result of discussions in the Sub-Committee on item (i) it was agreed that the list of demands (numbering 31) connected with the Coal Award should be referred to Shri A. Das Gupta, ex-member, Labour Appellate Tribunal for arbitration. The arbitrator should determine which of the demands arose out of the Award and which of them did not, and then give his decision on the issues not covered by the Award.

On items (ii) to (v) no agreement could be reached.

SEVENTH SESSION

(New Delhi, 28 April 1960)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

7.1 *Action Taken on the Conclusions of the Sixth Session*

The statement of action taken was noted by the Committee, subject to the following remarks:—

(i) *Abolition of contract labour*—In view of the difficulties experienced in conducting the joint study originally envisaged it
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was agreed that a Court of Inquiry should be quickly constituted under the Industrial Disputes Act, 1947, and that the Court be requested to report its findings in the matter as soon as possible.

(ii) *Continuance of Gorakhpur Labour Organisation*—The report of the Informal Committee of the Parliament set up to draw up a scheme for implementing the decision to abolish the Gorakhpur Labour Organisation, etc. should be circulated.

(iii) *Revision of Standing Orders for the Coal Industry*—It was agreed that the draft Model Standing Orders, which were under examination in the Ministry of Law, should be published within three months.

(iv) *Re-employment of Disabled Workers*—The consensus of opinion was that the steps so far taken for rehabilitating disabled workers were inadequate. It was suggested that a small committee be set up to review the position with a view to removing the difficulties experienced in the implementation of the recommendation of the Industrial Committee. For this purpose the organisations concerned agreed to send their views together with relevant factual data on this subject.

(v) *Inclusion of Malis, etc. Within the Scope of the Coal Mines Provident Fund Scheme*—The proposed amendment of the Coal Mines Provident Fund and Bonus Schemes Act so as to cover school teachers, malis, etc. was likely to take some more time. In the meanwhile, employers' organisations agreed to extend the benefits of provident fund to malis, school teachers, etc. on a voluntary basis, provided there was no liability on them in regard to the payment of bonus under the Coal Mines Bonus Scheme in respect of these categories of workers.

(vi) *Water Supply in the Coal Fields*—The consensus of opinion was that the whole question of water supply in the coal fields should be examined by the Industrial Committee at its next meeting when some definite proposals could be formulated. For this purpose the parties concerned agreed to supply the necessary data to enable Government to circulate a note in good time.

(vii) *Provision of Pit-head Baths and Creches at the Coal Mines*—It was complained that the employers were taking advantage of the Revised Mines Creche Rules (which lay down, *inter alia*, that creches should be provided in mines employing 50 or more women workers) and closing down some of the existing creches. This had resulted in creche attendants being thrown out of employment. In view of the hardships caused to such persons, the employers' representatives were requested to persuade employers not to close down creches which were being adequately utilised and to use their good offices to find alternative employment for such of the attendants as could not be continued in employment.

7.2 Acceptance and Effective Implementation of the Recommendations of the Miners' Boots Committee

*Constituted in September 1959 to draw up suitable specifications for the footwear to be supplied to coal mine workers, the Committee submitted its Report in December 1959.

The recommendations of the Miners' Boots Committee were generally accepted subject to the following observations:—

(i) It was felt that the Joint Purchasing Committee envisaged in para 54 of the Report or a Central Purchasing Committee should lay down the general procedure and directions and make arrangements to ensure that boots were of the requisite quality and reasonably priced. It was also considered desirable that workers should be associated with the steps taken for actual supply of boots at all stages. Since the employers were opposed to the idea of having another set of Committees at the unit level, it was agreed that the precise manner and type of association at the unit level should be left for mutual adjustment between employers and employees. The same organisation should also ensure the quality of cloth required for the supply of uniforms.

(ii) In the matter of making, brushing and cleaning arrangements recommended in para 49 of the Report, the employers' representatives were generally unwilling to make any such arrangements at their own cost. It was, however, considered that the supply of equipment and materials had to be undertaken by employers as otherwise the footwear scheme would fail. The consensus of opinion in the matter of maintaining repair shops was that efforts should be made to sponsor and develop co-operative institutions. Until such institutions were developed employers should consider what arrangements should be made to set up repair shops, it being understood that workers were to bear the cost of repairs in full.

(iii) It was agreed that the main recommendations should be translated in various languages and put on the notice boards of collieries for the information of the persons concerned.

7.3 Continuation of the Coal Award

It was agreed that the Coal Award should be extended pending examination of the workers' demand for a Wage Board in the coal mining industry. The Koyala Mazdoor Panchayat, affiliated to Hind Mazdoor Sabha, wanted it to be recorded that they were opposed to the creation of a Wage Board and that they preferred adjudication for revising the wage structure. It was agreed that the case for constituting a Wage Board might be considered at the next meeting of the Industrial Committee. For this purpose the workers' and employers' representatives were requested to send their views together with supporting facts.

7.4 Amendment of the Mines Act, 1952, Arising Out of the Recommendations of the Safety Conference

Some draft amendments were placed before the Committee for its views.

It was agreed that the amendments would be finalised by Government after taking into consideration the views expressed at the meeting.

7.5 Separate Representation to Mine Managers on the Industrial Committee on Coal Mining

The existing practice of inviting representatives of mine managers as special invitees, advisers and observers, whenever it was considered necessary, was adequate and should be continued.

7.6 General

(i) *Social Security Measures for People Thrown Out Of Work By the Amended Coal Mines Regulations*—The matter might be further examined by Government with a view to providing relief to persons thus rendered unemployed.

(ii) *Over-time Rates for Excluded Categories*—The workers' representatives made a reference to the question of employees who were not covered by the relevant provisions of the Act. It was explained that the matter was already under consideration of Government so far as clerks, assistants and time-keepers were concerned.

(iii) *Gratuity and Old Age Pension*—The workers' representatives raised the question of gratuity and old age pension for miners and urged that it should be considered independently. They were informed that this could be considered along with the Integrated Social Security Scheme recommended by the Study Group on Social Security.

(iv) *Training Schemes for Coal Mine Entrants*—The workers' organisations expressed their disappointment over the slow progress of work of the Committee appointed for this purpose. It was explained that the Report of the Committee was in its final stages.

(v) *Safety in Mines*—The workers' organisations expressed their concern over the undue delay in holding the meetings of the various Committees set up on the recommendations of the Safety Conference, and in particular the Committee on Prevention of Dust in Coal Mines. While explaining that almost all the Committees had started functioning, the Chief Inspector of Mines assured the Industrial Committee that he was already taking suitable safety measures necessary to minimise the dangers arising out of coal dust, without waiting for the recommendations of the Committee.

(vi) *Leave Provisions In the Amended Mines Act*—The workers' representatives raised the question of leave provisions contained in the amended Mines Act, and urged that the benefit of the revised provisions should be given to them from the date on which the amended Act came into force, i.e. 16 January 1960. The view was expressed on behalf of Government that *prima facie* the workers' claim was tenable and the employers should consider the matter urgently.

EIGHTH SESSION

(New Delhi, 25-26 April 1961)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

8.1 Action Taken on the Conclusions of the Seventh Session

The statement of action taken was noted by the Committee subject to the following observations:—

(i) *Abolition of contract labour*—It was reiterated that the appointment of the Court of Inquiry did not in any way invalidate

the decisions of the earlier sessions of the Committee. Therefore, pending completion of work by the Court of Inquiry, the contract system should not be extended to any new category of labour, and in all cases of such extension after August 1956, the position should be rectified.

(ii) *Standing Orders for the coal industry*—The revised Standing Orders should be made applicable to the industry as early as possible. It was agreed that individual employers would get revised Standing Orders certified by the proper authority without delay.

(iii) *Inclusion of teachers within the scope of the Coal Mines Provident Fund Scheme*—Fuller information regarding teachers who had been excluded from the benefits of the Scheme should be collected and suitable action taken in the light of the facts ascertained.

(iv) *Water supply in the coal fields*—A special Board of Inquiry should be set up to examine the whole position and make appropriate recommendations for solving the problem expeditiously. The Board should consist of three members—an engineer, an administrator and an eminent person from public life.

(v) *Implementation of the recommendations of the Miners' Boots Committee*—The Coal Mines Welfare Organisation should expedite arrangements for the supply of boots and uniforms to workers as also for appropriate display of the recommendations of the Miners' Boots Committee in regional languages.

8.2 Matters Relating to Bonus for Coal Miners

(i) *Weekly payment of bonus*—It was agreed that the present system of quarterly payment should continue. The employers agreed to introduce a system of bonus cards in which the workers' attendance would be recorded once every week and which would thereafter be handed over to them. Such cards would be introduced with effect from 1 July 1961.

(ii) *Idleness during illegal lock-outs to be treated as attendance for purposes of bonus*—The workers should have the right to approach the industrial relations machinery for getting a lock-out declared illegal. Whenever a lock-out is so declared, the period of idleness should be counted as attendance for purposes of entitlement to bonus.

(iii) *Counting the leave period as days of attendance for earning bonus*—It was agreed that the period of leave to be counted as attendance for the purpose of bonus would be 21 days in a year, or the actual number of days of earned leave availed of (including accumulations) plus 5 days.

8.3 Miners' Housing Scheme

It was agreed that the existing programme of construction of 30,000 houses of the conventional type under the New Housing Scheme should be completed. In addition, the Coal Mines Welfare Organisation should undertake the construction of one lakh "cheap" houses either directly or otherwise during the Third Five Year Plan.

For the purpose of financing these schemes an increase in the rate of welfare cess upto a maximum of one rupee was agreed to in principle. The actual increase would, however, be made as and when the existing accumulations in the housing account of the Fund had been effectively earmarked.

8.4 *Review of Safety Measures Suggested by the Safety Conference*

The memorandum placed before the Committee on the action taken on the different recommendations of the Safety Conference indicated that a tripartite Standing Safety Advisory Committee was reviewing the implementation of these recommendations. All necessary directives had been issued in compliance with the recommendations of the Conference; the Technical Committees had been set up; the Mines Act had been amended in certain respects and other amendments would be carried out when the reports of the Technical Committees were available.

The position stated in the memorandum was noted subject to the following :—

(i) The decisions of the Committee now formulating training Schemes for coal mine entrants would be made available to the trade union organisations as and when they were ready.

(ii) The workers' representatives felt that the Standing Safety Advisory Committee should work under more precise terms of reference.

8.5 *Revision of the Wage Structure in the Coal Mining Industry*

The Committee was of the view that all aspects of the question of wage revision in the coal mining industry should be gone into by a bipartite committee of employers and workers on the basis of facts already available. The parties would jointly explore possibilities of adjustment of wages within the existing price structure. The question of setting up any machinery for going into the wage question would be considered if the efforts of the parties to reach an amicable settlement proved unsuccessful.

8.6 *Delinking of the Coal Mines Provident Fund Scheme From the Coal Mines Bonus Scheme*

The proposal to delink the Coal Mines Provident Fund Scheme from the Bonus Scheme was accepted. It was agreed that for underground workers the qualifying period for entitlement to membership of the Provident Fund should be 105 days' attendance within a period of 6 months from the date of employment. The corresponding period for all others should be 130 days.

8.7 *Proposal for Enhancing the Rate of Coal Mines Provident Fund Contribution from 6½ per cent. to 8½ per cent.*

While the workers' representatives were in favour of raising the rate of contributions from 6½ per cent. to 8½ per cent. the employers' representatives were opposed to any such change. The matter was left to the Government for decision.

8.8 Question of C.R.O. Labour in Coal Mining Industry

The decisions taken by the Tripartite Committee* at its meeting on 24 January 1961 and the report of the Special Committee (14-15 March 1961) set up for implementing them were approved. It was reiterated that no differential treatment should be given in any form to any particular type of labour at the work sites.

8.9 Colliery Canteens

All colliery canteens, wherever run by contractors, should be taken over and run departmentally. For this purpose the employers should appoint the required staff as laid down in the Mines Rules.

Doubts were expressed on the propriety of the employers' recovering the charges incurred on staff, etc. from the sales. Reference was made to a recent Award of the Labour Appellate Tribunal, Calcutta, in which it had been laid down that the wages of canteen staff as well as the cost of equipment should not be debited against the running cost of the canteens. It was agreed that the practice followed in factories in this regard should be followed in the mines also.

8.10 Decasualisation Scheme for Colliery Workers

The Decasualisation Scheme proposed to be introduced was agreed to in principle. On a suggestion made by the workers' representatives, it was accepted that suitable provision should be made in the Scheme requiring employers to send advance information to the employment exchanges about labour likely to be rendered surplus. It was also agreed that the Scheme would be introduced after employment exchanges had been successfully set up in the mining areas.

8.11 Extension of Benefits Under the Industrial Disputes Act, 1947, to Teachers Employed in Coal Mines

After some discussion it was considered that there were some practical difficulties in adopting the suggestion.

8.12 Indebtedness of Coal Mine Workers

It was agreed that all encouragement should be given to the promotion of co-operative societies and efforts made to overcome procedural difficulties in the formation of such societies. It was considered desirable that (i) loans should be made available to workers' co-operatives directly by the Welfare Fund Organisation and the rate of interest should be 5 per cent. per annum; (ii) the rates of interest to be charged by the co-operative societies might be subject to the ceilings fixed by the State Governments; and (iii)

*This Committee was set up to consider the scheme for the administration of the Gorakhpur Labour Organisation prepared by the Directorate-General of Employment and Training. It decided that (i) the existing set up for recruitment at Gorakhpur should not be disturbed, but persons from Bihar and other areas would be provided with facilities for recruitment at the local exchanges; and (ii) workers should not be escorted by any special supervisor to work places and no preferential treatment should be given to any particular group of labour.

the Fund should also render some financial assistance to the co-operative societies for administrative purposes at the initial stage. These proposals should be pursued expeditiously.

It was agreed that private money lending within the precincts of a colliery, whether by agents or employees of a mine or by outsiders, should be prohibited. The Standing Orders should also be amended for this purpose and the State Governments should be approached for declaring the days of payment in collieries as "dry days".

8.13 Retirement Age in the Coal Mining Industry

Persons thrown out of employment due to the enforcement of Regulation 28 of the Coal Mines Regulations, 1957, should, as far as possible, be provided with alternative jobs. The Chief Labour Commissioner would look into the matter and settle cases of re-employment in consultation with the employers. Meanwhile, the employers agreed to consider such cases with sympathy and examine the possibility of providing appropriate financial assistance.

8.14 Welfare of Coal Mines and the Role of Trade Unions

The Memorandum on the subject contained proposals regarding what trade unions should do in educating the miners to make full and proper use of the welfare facilities provided for them, particularly pit-head baths, creches, multipurpose institutes, rehabilitation training centres, educational and medical facilities, etc.

The proposals were approved by the Committee.

8.15 Supply of Hurricane Lanterns

While there was no dispute about the supply of hurricane lanterns to the workers going underground, there was some divergence of opinion about the life time of a lamp, the frequency at which the bulbs should be supplied, etc. The Chief Inspector of Mines was authorised to settle these issues.

The employers agreed that wherever the cost of such lanterns and the oil used had been deducted from the wages of workers after 1 May 1960, the amount deducted would be refunded.

CHAPTER V

OTHER INDUSTRIAL COMMITTEES

1. INDUSTRIAL COMMITTEE ON JUTE

FIRST SESSION

(Calcutta, 1-2 August 1958)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

1.1 Closure of Jute Mills

The Committee reviewed the existing position and felt that the problem of closure was not as serious as in certain other industries in that it did not involve loss of production or employment to any appreciable extent. In most cases of closure, employment and production were transferred to other units.

1.2 Rationalisation in the Jute Industry

- (i) The policy laid down in the First and Second Five Year Plans that rationalization should not involve any involuntary loss of employment to existing personnel should be strictly adhered to.
- (ii) In all cases of transfer resulting from modernisation, rationalisation or closure, six weeks' notice would be given to the workers concerned. The State Government would also be notified eight weeks in advance so that appropriate arrangements could be made for the reabsorption of displaced workers through a proper distribution of loom-hours, etc.
- (iii) A comprehensive list of the existing *badli* workers in the different jute mills should be prepared and furnished to the State Government as early as possible. For the present, the list should be frozen as on 2 August 1958. There should be no further fresh recruitment until the *badli* workers on this list had been suitably absorbed. The situation would, however, be reviewed at an appropriate time.
- (iv) Medical examination for ascertaining the suitability of workers or their superannuation should not be associated with transfers resulting from modernization, rationalization or closure. These should proceed, in the normal course, independent of any such circumstances.
- (v) The existing *Ad Hoc* Committee on Rationalization set up by the West Bengal Government would be converted into

a special Committee. This Committee would be primarily responsible for watching the implementation of these agreements and the policy of rationalization as enunciated in the Second Five Year Plan and endorsed by the Indian Labour Conference at its fifteenth session. The Committee could also consider additional measures necessary for this purpose. The Committee would be assisted in its work by a special officer to be appointed by the Government of West Bengal.

- (vi) The conclusions at (i), (ii), (iii) and (iv) above would be equally applicable to all the States concerned and arrangements similar to those outlined at (v) above might be made wherever considered necessary.

1.3 *Reduction of Employment of Women Workers in the Jute Industry*

- (i) The West Bengal Government should immediately set up a machinery for conducting an enquiry into the causes of reduction in the number of women workers employed in the jute industry and suggesting measures for safeguarding the employment interests of such women workers.
- (ii) Meanwhile, there should not be any reduction in the strength of women workers employed at present in the jute industry.

1.4 *Appointment of a Wage Board for the Jute Industry*

- (i) It was generally agreed that a Wage Board would be the most appropriate machinery for reviewing the question of wages in the jute industry, and the question of setting up such a Board might be considered at an appropriate time.
- (ii) A special committee consisting of the Central and State Government officials should, however, be set up immediately by the Government of West Bengal to collect all relevant data having a bearing on the determination of wages with particular reference to (a) cost of living, (b) capacity of the industry to pay, and (c) importance of the jute industry as an earner of foreign exchange. A questionnaire for the collection of these data would be drawn up by the Government of West Bengal in consultation with the Central Government. The committee's findings would be placed before a tripartite body.
- (iii) Employers' and workers' organisations agreed to supply to the West Bengal Government and the Government of India all relevant information and data that were readily available with them.
- (iv) As regards dearness allowance and other amenities like housing, medical and welfare facilities, it was agreed that these should be considered by employers and workers in a friendly atmosphere with a view to coming to agreed solutions.

SECOND SESSION

(Calcutta, 11 December 1959)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

2.1 *Action Taken on the Decisions of the Previous Session*

It was suggested that the findings of the Committee set up by the West Bengal Government pursuant to the decisions of the first session of the Industrial Committee, should be made available to the members of the Industrial Committee. It was agreed that for this purpose the State Labour Minister would meet the workers' and employers' representatives on the Industrial Committee, at an early date. Subject to this, the statement of action taken was noted.

2.2 *Appointment of a Wage Board for the Jute Industry*

(i) Immediate steps should be taken to set up a Wage Board for the Jute Industry.

(ii) The Wage Board should consist of an independent Chairman who should be a person with judicial experience and two independent members, one of whom should be an economist. The number of workers' and employers' representatives to be appointed on the Wage Board was left to the Government of India to decide.

(iii) The terms of reference of the proposed Wage Board, agreed to at the meeting, were as follows:—

- (a) to determine the categories of employees (manual, clerical, supervisory, etc.) who should be brought within the scope of the proposed wage fixation;
- (b) to work out a wage structure based on the principles of fair wages as set forth in the Report of the Committee on Fair Wages. In evolving a wage structure, the Board should, in addition to the considerations relating to fair wages, also take into account the following:—
 - (i) the needs of the industry in a developing economy.
 - (ii) the special features of the jute industry as an export industry,
 - (iii) the requirements of social justice, and
 - (iv) the need for adjusting wage differentials in such a manner as to provide incentives to workers for advancing their skill;
- (c) bear in mind the desirability of extending the system of payment by results. In applying this system the Board should keep in view the need for fixing a minimum (fall-back) wage and also to safeguard against over-work and undue speed; and
- (d) to work out the principles that should govern the grant of bonus, if any, to workers in the jute industry;

(iv) the Wage Board would take into consideration the demands in respect of payments other than wages raised by the unions. The question of interim relief to workers should also be referred to the Wage Board which should give its recommendations in the matter. The question of the date from which the recommendations regarding interim relief should take effect was left to the Wage Board to decide.

2. INDUSTRIAL COMMITTEE ON CEMENT

FIRST SESSION

(Ranchi, 10-11 September 1948)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

1.1 Constitution of the Committee

A discussion took place on proposals concerning the composition of the Committee. Various suggestions were made. The more important of them were: allocation of seats to State Governments which had established cement manufacturing units; representation to manufacturers not affiliated to the two main groups, i.e. Associated Cement Company and the Dalmia Group; and representation to labour to be based on the strength of different labour organisations.

The Chairman pointed out that Government had allocated the seats after taking into consideration the capacity as well as the number of workers employed by the various units in the industry. The suggestions made by the members would be examined while deciding the future set up of the Committee.

1.2 Standardisation of Wages and Conditions of Work in the Cement Industry

The Committee was called upon to express views particularly on the following points:—

- (i) the desirability of standardising basic wages and the necessity of standardising occupational nomenclatures;
- (ii) the adoption of uniform basic wages throughout the country;
- (iii) the linking up of dearness or cost of living allowance of the area concerned with the cost of living index;
- (iv) the absorption of a part of the dearness allowance in basic wages;
- (v) the desirability of evolving a formula for the payment of bonus;
- (vi) the desirability of fixing a uniform practice in regard to rest days for continuous process workers in the industry;
- (vii) the determination of the best method of protecting workers from the dust nuisance; and

(viii) the desirability of extending the scope of the existing Provident Fund Scheme in the industry.

There was considerable discussion on these points. The view expressed were noted. No specific conclusion was, however, adopted.

1.3 *Promotion of Harmonious Industrial Relations*

The Committee was asked to suggest what measures should be taken, in addition to the setting up of Works Committees, to promote harmonious relations between labour and management. A number of suggestions were made regarding the Chairmanship of Works Committees, procedure for dismissal, etc. These were noted. No conclusion was, however, adopted.

1.4 *Measure for Increasing Production*

There was an inconclusive discussion and no conclusion was adopted.

Chairman's concluding remarks

Referring to the feelings expressed by some that nothing had been achieved, (the Chairman) pointed out that generally no concrete decisions were reached at meetings of tripartite committees. Both the sides were heard and frank discussions removed misunderstandings. He was convinced that, as a result of the discussions at the meeting, the Government had ample material on the basis of which it would proceed in the matter of ensuring a fair deal to the thousands of workers employed in the cement industry.

SECOND SESSION

(Hyderabad, 24-25 March 1954)

Chairman—SHRI ABID ALI

CONCLUSIONS

2.1 *Standardisation of Wages and Conditions of Work in the Cement Industry*

(i) A Central Wages (Standardisation) Board* and State Wages (Standardisation) Boards in the States concerned should be set up on a tripartite basis.

(ii) The Central Board should exercise general supervisory and co-ordinating functions, prescribe basic minimum (standard) rates of wages and dearness allowance, deal with the absorption of dearness allowance in basic wages and the determination of a formula for the payment of bonus. The Central Board would also settle the nomenclature of occupational terms with the assistance and advice of the State Boards.

*The workers' representatives subsequently pressed for a tripartite Wage Board for the Cement Industry which was set up accordingly.

(iii) The State Boards would deal with matters relating to different differential wages as well as such other matters as might be referred to them by the Central Board. The State Boards would report on all matters to the Central Board for final decisions.

2.2 Abolition of Contract Labour in the Cement Industry

(i) Steps should be taken to reduce the extent of contract labour so that there is no contract labour in any occupation connected with the manufacturing process, including quarry operations.

(ii) Difficulties involved in the abolition of contract labour in the case of loading and unloading operations should be studied by a sub-committee with a view to securing the abolition of contract labour in these operations.

(iii) On the abolition of contract labour in loading and unloading operations and manufacturing processes including quarry operations, the labour employed on such work should be paid on the piece-rate system, which should be worked out by the sub-committee referred to in (ii) above.

2.3 Tripartite Agreement on the Standards of Compliance with the Provisions of the Factories Act, 1948

(i) A central tripartite (technical) committee and State tripartite (technical) committees should be set up for drawing up an agreement on the standards of compliance with the provisions of the Factories Act relating to safety, health and welfare and improvement of working conditions.

(ii) The working of the agreement should be reviewed at intervals not exceeding six months by the State committees which should submit reports to the central committee.

(iii) Every unit should designate a person fully conversant with the provisions of the agreement (in so far as these relate to the department for which he was responsible) and who should ensure the observance of these provisions by systematic inspection.

THIRD SESSION

(New Delhi, 2 August 1960)

Chairman—SHRI ABID ALI

CONCLUSIONS

3.1 Action Taken on the Main Conclusions of the Previous Session

The statement of action taken was noted subject to the following comments:—

(i) Steps should be taken to ensure more effective implementation of the Industrial Committees' recommendations regarding abolition of contract labour.

- (ii) The employers' representatives desired to have some more time to study the draft agreement on the standards of compliance with the provisions of the Factories Act, drawn up by the Central Tripartite (Technical) Committee. It was agreed that they would communicate to the Ministry of Labour their comments, if any, on the draft agreement by 31 October 1960, to enable Government to consider further necessary action in the matter. Workers' representatives were in favour of accepting the agreement.

3.2 *Work Load Studies in Cement Factories*

(i) The workers' representatives pointed out that implementation of the Government Resolution that the Wage Board's recommendation regarding wage increase in the second phase might be implemented only after work load studies are completed was likely to affect adversely a large number of workers. It was agreed that Government would examine the matter.

(ii) The Organisation of the Chief Adviser, Factories, should take immediate steps to arrange intensive work load studies in a few selected units to begin with.

(iii) Workers and employers and their organisations should extend their fullest co-operation to the organisation of the Chief Adviser, Factories, in these studies which should be completed as early as possible.

(iv) Government might decide about arrangements regarding undertaking of similar studies in other units in the light of the experience gained as a result of the studies referred to in (ii) above.

3.3 *Duration of the Period of Operation of the Recommendations Made by the Central Wage Board for the Cement Industry*

The consensus of opinion was in favour of the proposal that the recommendations of the Cement Wage Board should remain in force for a period of five years with effect from 1 January 1960. It was, however, agreed that the position should be reviewed again by the Industrial Committee after four years, in case there was a request from the workers' organisations for such a review.

3.4 *Proposal to Set Up a Central Machinery to Remove Doubtful Points Arising Out of the Cement Wage Board's Recommendations.*

A Central machinery should be set up by the Government of India for clarification and interpretation of the Wage Board's recommendations. Only such items would be referred to it as might be considered appropriate by the Government. It was also agreed that the parties would communicate to the Ministry of Labour by 31 August 1960 points of doubt needing clarification, if any, that had arisen so far.

3. INDUSTRIAL COMMITTEE ON MINES OTHER THAN COAL MINES

FIRST SESSION

(New Delhi, 17—18 April 1958)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

1.1 *Draft Metalliferous Regulations*

The Committee approved the draft Regulations with certain modifications.

1.2 *Draft Legislation for Constituting the Manganese Mines Labour Welfare Fund*

The Committee approved the proposal regarding the constitution of the Manganese Mines Labour Welfare Fund. It was agreed that, to begin with, a welfare levy of Rs. 2 per ton might be imposed on all exports of ores with more than 40 per cent. manganese content and that no State should be exempted from the scope of the proposed legislation. The exemption of the low grade ores should not mean that the workers employed in such mines would be excluded from the scope of the proposed legislation.

The representative of the Government of Orissa, however, desired to reserve his position on the matter, as Orissa already had its own welfare fund legislation which covered other mines also.

1.3 *Difficulties in the Application of the Minimum Wages Act, 1948, to the Scheduled Employment of Stone-Breaking/Stone-Crushing in Certain Mines, and*

1.4 *Programme of Extension of the Minimum Wages Act to Employments in Mines Not Already Included in the Schedule to the Act*

These two items were considered together and it was agreed that the Minimum Wages Act, 1948, should be extended to all mines. It was not considered necessary to have any phasing. The Committee was of the view that the Act should be made applicable to all mines as early as possible. The extension of the Act should not, however, adversely affect the existing rights of workers in any way.

SECOND SESSION

(New Delhi, 24 April 1961)

Chairman—SHRI GULZARI LAL NANDA

CONCLUSIONS

2.1 *Action Taken on the Conclusions of the First Session*

The statement of action taken on the conclusions of the first session of the Committee was noted. It was agreed that work connected with the implementation and extension of Minimum Wages Act to non-coal mines should be completed expeditiously.

2.2 Introduction of Legislation for Welfare Measures for Workers in Iron Ore mines and the Proposal for the Levy of Welfare Cess on Iron Ore

It was agreed that a statutory welfare fund should be set up for the benefit of workers employed in iron ore mines on the lines of the Coal Mines Labour Welfare Fund. The fund should be financed from the proceeds of a welfare cess to be imposed on iron ore. The functions of the proposed welfare fund organisation would be similar to those of the Coal Mines Welfare Fund Organisation. Necessary legislation should be undertaken by the Centre for giving effect to these recommendations.

2.3 Declaration of Iron Ore Mines as "Public Utility Service" Under the Industrial Disputes Act, 1947

The Parties agreed that 14 days' notice would be given under the Code of Discipline before any strike or lock out is resorted to in iron ore mines.

2.4 Report of the Manganese Poisoning Enquiry Committee

The Report and the recommendations contained therein were adopted by the Committee.

4. INDUSTRIAL COMMITTEE ON COTTON TEXTILES

FIRST SESSION

(New Delhi, 12—14 January 1948)

Chairman—SHRI JAGJIVAN RAM

CONCLUSIONS

The Committee considered the following items:—

- (i) Standardisation of Wages and Rationalisation of Dearness Allowances Structure.
- (ii) Measures for Increasing Production.
- (iii) Training of Workers with a view to Increasing their Efficiency, and
- (iv) Provision for Old-age: Institution of Provident Fund and Insurance Schemes.

A number of suggestions were put forward during the discussions. These related to: standardisation of basic wages in the industry throughout the country on the basis of uniform principles; the need for modernisation and renovation of machinery; the avoidance of industrial disputes; the introduction of the system of payment by results; and improvements in the living and working conditions of workers. No specific conclusions were, however, adopted.

The Chairman summed up the discussion as follows:—

...in the tripartite conferences the practice so far had been to hear the view-points of the employers and workers. The Government thereafter took such action as was thoughtnecessary..... On the present occasion.....an attempt was made to have some agreed resolutions..... Although

no resolution could be adopted the Government would take the necessary legislative or executive action on the various items on the basis of the discussions held....

5. INDUSTRIAL COMMITTEE ON TANNERIES AND LEATHER GOODS MANUFACTORIES

FIRST SESSION

(Lucknow, 10-11 December 1948)

Chairman—SHRI K. N. SUBRAMANIAN

CONCLUSIONS

1.1 Constitution of the Industrial Committee on Tanneries and Leather Goods Manufactories

It was agreed that the Committee would deal with the problems of organised and unorganised industries. For studying the important problems of the unorganised industries a sub-committee would be appointed. In addition, *ad hoc* sub-committees might be set up from time to time to report to the main Committee.

1.2. Wage Fixation in the Industry

The agreed decisions on basic wages and dearness allowance were as follows:—

Basic Wages—(i) A sum of Rs. 5 would be appropriated from dearness allowance to basic wages.

(ii) The basic wage [including the extra sum of Rs. 5 referred to in (i) above] in big cities like Bombay, Calcutta, Madras and Kanpur would be Rs. 40 per mensem during the first five years of the establishment of a concern and Rs. 45 per mensem in subsequent years. The corresponding rates at other centres would be Rs. 35 and Rs. 40, respectively.

Dearness Allowance—Taking the cost of living index for 1939 as 100, dearness allowance would be paid according to the following slabs:—

Index Numbers	Rate of Dearness Allowance Per Month
(a) 101 to 150	Rs. 10
(b) 151 to 200	Rs. 15
(c) 201 to 250	Rs. 20
(d) 251 to 300	Rs. 25
(e) 301 to 350	Rs. 30
(f) 351 to 400	Rs. 35
(g) 401 to 450	Rs. 40
(h) 451 and above	Rs. 45

The Chairman made it clear that the present agreement should be observed until such times as wages and dearness allowance were fixed on a statutory basis. He expressed the hope that the employers would advise their constituent units to give effect to these decisions as early as possible.

Bonus and play-off allowance—No decision could be reached on the question of bonus and play-off allowance. *The Chairman*, however, felt that the following suggestions made by the representative of the Employers' Federation of India concerning play-off allowance appeared to be very reasonable:—

For any temporary breakdown or temporary suspensions of work, all workers who were present would be paid at the rate of 75 per cent. of their basic wage plus the full dearness allowance for the first week; thereafter the company would decide whether they would give notice to persons concerned, or in anticipation of an early resumption of work would continue to keep them on a temporary basis. In case the company decided to give notice, the payment of allowance would be governed by the Standing Orders.

As for bonus, the following was recommended:—

- (i) Bonus equal to one and a half month(s) basic wages, where payment was made by the month, or six weeks' basic wages, where payment was made by the week, should be paid to workers.
- (ii) Such of the units as were in a position to pay more or had been paying more should continue to pay according to their ability.

The Chairman made it clear that it was only a recommendation and not a decision.

1.3 Regulation of Conditions of Labour; and

1.4 Means to Prevent Stoppages of Work and Consideration of Means for Increasing Production

The two subjects were considered together. The discussions covered matters like the functioning of Works Committees, housing, medical care, etc. Concern was expressed over the poor living conditions of leather workers. No specific conclusion was, however, adopted.

The Chairman said that a sub-committee was going to be set up to consider the problems of workers in the unorganised sector.

6. COMMITTEE ON BUILDING AND CONSTRUCTION INDUSTRY. FIRST SESSION

(New Delhi, 3-4 August 1955)

Chairman—SHRI KHANDUBHAI K. DESAI

CONCLUSIONS

1.1 Conditions of Work in the Building and Construction Industry

- (i) Members might send individual notes on conditions in the building and construction industry to the Ministry of Labour, and

(ii) summary of these notes might be brought to the notice of the Industrial Committee.

1.2 Fair Wage Clause and Labour Regulations in Contracts of Work Of Central and State Governments

(i) The Fair Wage Clause, the Contractors' Labour Regulations, the Model Rules and other relevant Clauses of the Central Public Works Department Contract Forms should be incorporated in the contract forms of the various agencies of the Central and State Governments (including the Railways and the M.E.S.), local authorities and such other large employers of labour in the building and construction industry in the public sector;

(ii) (a) the Ministry of Labour might urge the authorities concerned to provide for proper enquiries to be made before deductions are made from the moneys due to contractors under the Fair Wage Clause, (b) it was also suggested that steps should be taken to ensure speedy payment of contractors' dues;

(iii) the working of Clause 19-B of the C.P.W.D. Contract Form which provided for submission of accurate fortnightly returns, failing the submission of which the contractor was liable to pay the Government a sum not exceeding Rs. 50 for each default or materially incorrect statement, should be reviewed if serious difficulties were brought to notice;

(iv) the provision made in Clause 19-C of the C.P.W.D. Contract Form requiring the contractor to provide at his own expense footwear for labour doing cement mixing work should be widened to cover all other types of work involving the use of tar, mortar, etc.;

(v) paragraph 5(5) of the Contractors' Labour Regulations which lays down that payment of wages shall be made on a working day should be brought in line with the provisions of the Payment of Wages Act;

(vi) in addition to the Wage Slip supplied to each worker there should also be an employment card. The specimen form should be prepared by the Ministry of Labour;

(vii) paragraph 6(3) of the Contractors' Labour Regulations which empowers an Executive Engineer to grant exemption from the maintenance of Wage Registers and Wage Slips in respect of works on which less than 100 persons were employed should be deleted;

(viii) it should be made clear that the Model Rules apply to the building and construction industry;

(ix) there should be reference to cold water in Rule 4(a) and Rule 4(e) which refers to the temperature of drinking water might be deleted; and

(x) there should be provision for separate rest shelters for women

13 *Special Amenities for Women Employed in Building and Construction Industry*

(i) (a) State Public Works Departments and other Central Ministries should incorporate in their contract forms provisions of creches on the same lines as in the C.P.W.D. Model Rules in respect of works which employ 50 or more women; (b) where the number of women workers is more than 25 but less than 50 contractors should provide at least one hut and one Dai to look after the children of women workers.

An additional clause to this effect should be introduced in the contract forms by all concerned, (c) the size of creche or creches should vary according to the number of women workers; and (d) the creches should be properly maintained and necessary equipment like toys, etc. should be provided.

(ii) Maternity benefit for women should be provided for in the contract forms of the Central Ministries, State Governments, local bodies, Port Trusts, etc. on the same lines as in Clause 19-F of the C.P.W.D. Contract Form.

14 *Adoption of Advisory Guide in Regard to the Welfare of Workers in the Building and Construction Industry*

All the suggestions made in the Advisory Guide* were accepted.

15 *Enforcement of Labour Standards in the Building and Construction Industry*

The enforcement of labour clauses has to be improved. The following steps should be taken:—

- (i) expansion of the existing enforcement machinery;
- (ii) creation of adequate enforcement machinery where such machinery has not been established; officers of appropriate level should be designated for the purpose and steps taken to ensure that enforcement of labour clauses is regarded as an important function of the machinery concerned with building and construction industry;
- (iii) formation of tripartite site-committees in the case of works of sizable nature; and
- (iv) the Ministry of Labour should study the problem of accidents in the building and construction industry in all detail, analysing the available statistics and should circulate a note to States, Central Ministries concerned, the main employers' and workers' organisations and the members of the *Ad hoc* Committee inviting their suggestions.

*This was drawn up in the Ministry of Labour for the guidance of employers in the construction industry. The specific points covered in the Guide were: (i) weather proof shelter for rest; (ii) weather proof places and facilities for meals; (iii) supply of wholesome drinking water; (iv) facilities for obtaining food or cooked means; (v) reasonable washing facilities; (vi) reasonable sanitary facilities; (vii) facilities for storage, drying and changing of clothing; (viii) transport facilities to and from the site; and (ix) special facilities for women workers.

1.6 ILO Convention (No. 62) concerning Safety Provisions in the Building Industry, 1937

(i) the provisions of the ILO Convention concerning safety measures should be accepted and enforced by the Central and State Governments, local bodies and other public authorities by incorporating their provisions in the contract forms; and

(ii) after necessary experience has been gained in the application of the provisions and their implications in relation to the conditions obtaining in the country, Central legislation should be undertaken on the subject.

1.7 Prohibition of White Lead in Painting and Protection of Women and Children Against Lead Poisoning (ILO Convention No. 13 and Recommendation No. 4)

Action on the following lines was recommended:—

- (i)(a) Facts about the extent of health hazards involved should be investigated and technical opinion obtained on the subject;
 - (b) the existing Central, State and local legislation should be examined to see whether the use of white lead could not be further controlled; and
 - (c) the results of the enquiry with suggestions for further action should be placed before the next session of the Committee.
- (ii) (a) With a view to maintaining continuity in work and for ensuring that the various problems concerning the building and construction industry were dealt with adequately there should be a regular Industrial Committee for this industry on the same pattern as the Industrial Committees for Coal Cement and Plantations;
- (b) in addition, there should be a small standing committee of the Industrial Committee which could meet more frequently to review the progress made and to deal with problems as and when they arise.

CHAPTER VI

THE COMMITTEE ON CONVENTIONS*

FIRST SESSION

(Madras, 7 August 1954)

Chairman—SHRI VISHNU SAHAY

CONCLUSIONS

1.1 *General Note Regarding Ratification of ILO Conventions by India*

(i) The Conventions relating to non-metropolitan territories (Nos. 64, 65 and 82—86) were not of interest to India from the point of view of ratification.

(ii) Such Conventions as had been revised and were yet open for ratification might be considered by the Committee.

(iii) With regard to the Conventions relating to Seamen, it was decided that the Labour Ministry and the Committee on Conventions should watch the progress of examination being carried out by the Ministry of Transport. Progress reports with regard to these Conventions should, therefore, be submitted to the Committee on Conventions.

1.2 *Convention (No. 29) concerning Forced or Compulsory Labour (1930) and Recommendation (No. 36) concerning the Regulation of Forced or Compulsory Labour (1930)*

The Government of India should ratify the Convention immediately. The States which were still to amend or repeal certain laws should do so within a time limit to be suggested by the Ministry of Labour and the Ministry should finalise Model Provisions concerning the use of forced labour at a very early date.

1.3 *Convention (No. 100) and Recommendation (No. 90) concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (1951)*

(i) Progressive application of the principle should be promoted through (a) executive directions to wage fixing authorities to take the principle into consideration while fixing wages or recommending fixation of wages, and (b) designating suitable officers at the Centre

*The Committee was set up on the recommendation of the thirteenth session of the Indian Labour Conference (Mysore, 7—9 January 1954) to examine ILO Conventions and Recommendations and to suggest measures for their ratification or implementation. The conclusions of this Committee are generally endorsed either by the Indian Labour Conference or the Standing Labour Committee.

and the States to investigate cases of non-observance of the principle on the basis of job-appraisal.

(ii) Detailed information concerning the extent to which the principle of equal remuneration for men and women workers for work of equal value was already being applied in industries should be collected and placed before the Committee.

1.4 *Convention (No. 88) and Recommendation (No. 83) concerning the Organisation of Employment Service (1948)*

(i) When the Employment Service Organisation was placed on a permanent basis, the Government of India should ratify the Convention.

(ii) The functions of the Employment Service Organisation should be developed gradually on the lines indicated in the Recommendation.

1.5 *Convention (No. 96) concerning Fee-Charging Employment Agencies (Revised, 1949)*

Enquiries should be made through the Directorate-General of Resettlement and Employment about the extent and nature of such agencies in the country and the facts placed before the next meeting.

1.6 *Convention (No. 26) concerning the Creation of Minimum Wage-Fixing Machinery (1928) and Recommendation (No. 30) concerning the Application of Minimum Wage-Fixing Machinery (1928)*

In view of the existing provisions with regard to the fixation of minimum wages, the Convention should be ratified by Government immediately.

1.7 *Convention (No. 46) Limiting Hours of Work in Coal Mines (Revised, 1935)*

The Government of India should inform the ILO that in spite of satisfactory provisions in the Mines Act, ratification was not possible on account of technical difficulties.

1.8 *Convention (No. 52) and Recommendation (No. 47) concerning Annual Holidays With Pay (1936)*

As the scope of the Convention was much wider the Central and State Governments should make efforts gradually to—

- (a) extend the scope of existing legislation to additional employment mentioned in Article 1 of the Convention; and
- (b) bring the existing provisions with regard to holidays, wherever these fell short of the provisions of the Convention, to the level of those laid down in the Convention.

The Committee, however, noted that provisions in the Indian law were in some cases more liberal than those of the Convention, and felt that this fact should be brought to the notice of the ILO.

1.9 *Convention (No. 63) concerning Statistics of Wages and Hours of Work in the Principal Mining and Manufacturing Industries including Building and Construction and in Agriculture (1938)*

The Convention should be ratified immediately in respect of Part II thereof and the State Governments which had not adopted the Industrial Statistics (Labour) Rules should be requested to do so within a specified period to be determined by the Ministry of Labour.

1.10 *Recommendation (No. 96) concerning the Minimum Age of Admission to Work Underground in Coal Mines (1953)*

(i) The Mines Act should be amended to raise the age limit from 15 to 16 as prescribed in the Recommendation and that the I.L.O. should be informed accordingly. In the opinion of the employers, however, no action was necessary as the present conditions were satisfactory.

As regards employment of persons between the ages of 16 and 18, the present provisions should be examined in consultation with employers' and workers' organisations concerned.

1.11 *Recommendation (No. 97) concerning the Protection of the Health of Workers in Places of Employment (1953)*

Central and State tripartite technical committees should be set up in all major industries to draw up standards of health and safety. Government should then take steps to secure the enforcement of such standards as might be arrived at by these committees, if necessary, by making further provisions in the law on the subject. In cases where technical committees were not able to reach agreement with regard to standards, Government should itself prescribe suitable standards and secure enforcement in similar manner.

1.12 *Convention (No. 94) and Recommendation (No. 84) concerning Labour Clauses in Public Contracts (1949)*

(i) Provisions similar to those made by the Central Public Works Department should be made, without delay, by other Departments of the Government of India (particularly the Railways and the Irrigation) and all State Governments; and

(ii) the Central and the State Governments should each designate a suitable officer charged with the duty of securing enforcement of these provisions.

1.13 *Convention (No. 5) Fixing the Minimum Age for Admission of Children to Industrial Employment (1919)*

Convention (No. 59) Fixing the Minimum Age for Admission of Children to Industrial Employment (Revised, 1937)

The Committee recommended—

(i) the Government of India should ratify Convention No. 5 and if any change in the existing legal provisions was necessary, this should be made.

(ii) As regards Convention No. 59, it should be possible to ratify the Convention. The matter should, however, be further studied by the Ministry of Labour and in case it was found that there were some difficulties, the subject should again be brought up before the Committee.

1.14 Convention (No. 87) concerning Freedom of Association and Protection of the Right to Organise (1948)

The Committee recommended immediate consideration of the Convention with a view to its ratification.

1.15 Action to be Taken on the Decisions of the Committee

The Ministry of Labour should submit a report to the next meeting indicating the progress of action taken on the decisions reached at the present session.

SECOND SESSION

(Bombay, 12 May 1955)

Chairman—SHRI VISHNU SAHAY

CONCLUSIONS

2.1 Action Taken on the Conclusions of the First Session of the Committee

The Committee noted with satisfaction the action taken and made the following recommendations:—

(i) Convention (No. 96) concerning Fee-charging Employment Agencies (Revised, 1949)

Detailed information regarding the fee-charging employment agencies in India, particularly the extent to which such agencies were in use, should be obtained. The legal position with regard to such agencies in countries which had ratified the Convention should be studied. A detailed report should then be made to the Committee.

(ii) Convention (No. 94) concerning Labour Clauses in Public Contracts (1949)

The subject should be placed on the agenda of the Committee on Building and Construction Industry.*

(iii) Convention (No. 59) Fixing the Minimum Age for Admission of Children to Industrial Employment (Revised, 1937)

The question of compulsory certification of adolescents employed in mines should be placed before the next session of the Industrial Committee on Coal Mining.

(iv) General

The Committee also made the following general recommendations:—

(a) The ILO, India Branch might be requested to undertake the preparation of a digest of the more important ILO Conventions and Recommendations of direct interest to India.

(b) A chart showing at a glance the principal provisions in Indian labour legislation should be prepared and made available for sale at a nominal price.

*See Chapter V.

- (c) The requests for information, etc. made by the Ministry of Labour from time to time with regard to ILO Conventions, Recommendations, etc. should be answered fully and in time by State Governments, employers' and workers' organisations.

2.2 Convention (No. 13) concerning the Use of White Lead in Painting (1921) and Recommendation (No. 4) concerning the Protection of Women and Children against Lead Poisoning (1919)

Action should be taken—

- (i) to ascertain facts about the extent of the problem involved since instances outside the Factories Act and other Acts might not be large;
- (ii) to examine the existing Central and State legislation with a view to finding out the extent to which the use of white lead could be further controlled;
- (iii) to report to the Committee on Conventions the results of the above examination with suggestions for further action; and
- (iv) to bring the provisions of the Convention and the Recommendation to the notice of all concerned (building industry in particular), drawing attention to the hazards involved in the use of white lead paints and inviting their opinion with regard to the extent to which the usage of such paints could be eliminated and the manner in which they proposed to give effect to such elimination.

2.3 Convention (No. 17) concerning Workmen's Compensation for Accidents (1925)

The provisions of the Convention should be taken into account while amending the Workmen's Compensation Act, 1923, next. Particular attention should then be given to the question of extending the scope of the Act.

2.4 Convention (No. 20) concerning Night Work in Bakeries (1925)

(i) Studies should be undertaken to assess the extent of the problem; and

(ii) State Governments should be consulted to find out the extent to which action could be taken under the Shops and Commercial Establishments Acts.

2.5 Convention (No. 42) concerning Workmen's Compensation for Occupational Diseases (Revised, 1934)

The Convention should be ratified and the Workmen's Compensation Act, 1923, amended accordingly.

2.6 Convention (No. 43) for the Regulation of Hours of Work in Automatic Sheet-Glass Works (1934)

Studies should be made to assess the extent of the problem involved. Further, the opinion of the State Governments should be invited on the question of ratification. The subject should then be placed before the next session of the Committee.

- 2.7 Convention (No. 30) concerning the Regulation of Hours of Work in Commerce and Offices (1930); and**
2.8 Convention (No. 60) concerning the Age for Admission of Children to Non-Industrial Employment (Revised, 1937)

The State Governments should be requested—

- (i) to amend their Shops and Commercial Establishments Acts to conform, as far as possible, to the standards laid down in the draft Bill prepared by the Central Government on the subject as also in the ILO Convention, or
- (ii) to undertake legislation, where it did not already exist, on the lines of the draft Bill in conformity with the provisions of the Convention to the extent possible.

The importance of verification of age should also be brought to the notice of the State Governments.

- 2.9 Convention (No. 62) concerning Safety Provisions in the Building Industry (1937)**

This Convention should be placed on the agenda of the Committee on Building and Construction Industry* with a view to deciding what action should be taken.

- 2.10 Convention (No. 67) concerning the Regulation of Hours of Work and Rest Periods in Road Transport (1939)**

The working of the Motor Vehicles Act should be reviewed and the State Governments consulted with regard to the widening of the scope of the Act and the introduction of a 48-hour week.

- 2.11 Convention (No. 77) concerning Medical Examination for Fitness for Employment in Industry of Children and Young Persons (1948)**

- (i) The Employment of Children Act, 1938, should be amended in accordance with the provisions of the Convention;
- (ii) the provisions of the Convention should progressively be made applicable to mines; and
- (iii) the State Governments should be requested to extend progressively the provisions of the Convention to factories.

- 2.12 Convention (No. 79) and Recommendation (No. 80) concerning the Restriction of Night Work of Children and Young Persons in Non-Industrial Occupations (1946)**

The attention of the State Governments should be drawn to the provisions of the Convention and the Recommendation with the request that they might, in consultation with the local authorities, report the extent of the problem involved and their opinion about such further action as they would consider practicable.

- 2.13 Convention (No. 95) concerning the Protection of Wages (1949)**

- (i) The Committee attached great importance to the need for extending the scope of the Payment of Wages Act, 1936, to cover

*See Chapter V.

additional industries and categories of employees. The views of the State Governments on the subject should be called for.

(ii) While amending the Act, the provisions of the Convention should be kept in view.

(iii) The question as to whether the amendment of any other law, e.g. Company Law, would be necessary in order to comply with the requirements of the Convention should also be examined.

2.14 Convention (No. 99) concerning Minimum Wage Fixing Machinery in Agriculture (1951)

(i) The Minimum Wages Act, 1948, should be amended so as to provide for a permanent wage fixing machinery.

(ii) The Government of India should, thereafter ratify the Convention, if it appeared on the advice of the Ministry of Law, that the Indian law satisfied its requirements.

2.15 Convention (No. 102) concerning Minimum Standards of Social Security (1952)

Studies should be undertaken to ascertain how far the Employees' State Insurance Scheme satisfied the minimum requirements of the Convention in respect of coverage, i.e. 50 per cent. of all employees in industrial work places employing 20 persons or more. The subject should be brought before the Committee again after three years.

2.16 Recommendation (No. 5) concerning the Establishment of Government Health Services (1919)

(i) In every State there should at least be one Medical Inspector of factories;

(ii) where the Factory Inspectorate was reasonably large, a certain percentage of Factory Inspectors should be Medical Inspectors; and

(iii) a report on the progress made by the State Governments in appointing Medical Inspectors should be placed before the next session of the Indian Labour Conference.

2.17 Recommendation (No. 15) concerning the Development of Technical Agricultural Education (1921)

The Ministry of Labour should—

(i) bring this Recommendation to the notice of the authorities concerned both at the Central and the State level for a fuller implementation of its provisions; and

(ii) send a report to the I.L.O.

2.18 Recommendation (No. 18) concerning the Application of the Weekly Rest in Commercial Establishments (1921)

The Committee's conclusions were similar to those at 2.7 and 2.8 above.

2.19 Recommendation (No. 21) concerning the Development of Facilities for the Utilisation of Workers' Spare Time (1924)

(i) The existing welfare amenities should be extended wherever possible;

- (ii) model welfare centres should be opened in industrial areas;
- (iii) workers should be given guidance in better living techniques;
- (iv) adequate provisions should be made for workers' education; and
- (v) swimming pools should be provided wherever possible, e.g. large industrial estates.

2.20 Recommendation (No. 51) concerning the National Planning of Public Works (1937)

A report should be sent to the ILO explaining present position with regard to planning in India and also India's determination to deal with this problem effectively.

2.21 Recommendation (No 56) concerning Vocational Education for the Building Industry (1937)

(i) The provisions of the Recommendation should be brought to the notice of all concerned, viz. Ministry of Works, Housing and Supply, State Governments, etc. with a view to preparing further suitable training schemes; and

(ii) a detailed review should be made of the existing training facilities, and wherever necessary, efforts should be made to revise the existing syllabi.

2.22 Recommendation (No. 57) concerning Vocational Training (1939)

(i) The provisions of the Recommendation should be brought to the notice of all concerned; and

(ii) a report should be sent to the ILO explaining the position in India.

2.23 Recommendation (No. 73) concerning the National Planning of Public Works (1944)

A report explaining the position in India should be sent to the ILO.

2.24 Recommendation (No. 87) concerning Vocational Guidance (1949)

(i) The provisions of the Recommendation should be brought to the notice of all concerned;

(ii) efforts should be made by the various authorities concerned, e.g. Employment Exchanges, Universities, Schools, etc. to provide vocational guidance;

(iii) specific provisions in this respect should be made in the Second Five Year Plan; and

(iv) keeping individual guidance as the objective to be attained as early as possible, arrangements should be made for mass guidance through the issue of career pamphlets, etc.

2.25 Recommendation (No. 88) concerning the Vocational Training of Adults Including Disabled Persons (1950)

(i) The provisions of the Recommendation should be brought to the notice of all concerned and that employers should be urged to

employ disabled persons on compassionate grounds in suitable alternative employment;

(ii) in order to encourage employers to employ disabled workers, a procedure should be evolved under which the services of such employers providing employment to disabled workers would be given due recognition (e.g., Roll of Honour);

(iii) when a worker became disabled owing to some industrial accident, the employer concerned should endeavour to find alternative employment for him within the establishment;

(iv) Government should give a lead in this matter in their own undertakings;

(v) a suitable recommendation might be made in the Second Five Year Plan on the subject; and

(vi) disabled workers might be suitably rehabilitated through alternative employment in small-scale industries.

2.26 Recommendation (No. 98) concerning Holidays with Pay (1954)

(i) The question of how far the provisions of the Mines Act, 1962, could be liberalised in order to bring them in line with the provisions of the Factories Act, 1948, should be placed before an early session of the Industrial Committee on Coal Mining;

(ii) the question of bringing the provisions of the Plantations Labour Act, 1951, regarding holidays with pay in line with the provisions of Factories Act, 1948, should be placed before an early session of the Industrial Committee on Plantations;

(iii) the State Acts in respect of Shops and Commercial Establishments should be extended (or legislation should be enacted by these States where it did not exist) so as to cover as many shops and commercial establishments as possible; and

(iv) interruptions of work due to performance of duty arising from trade union responsibilities should be included in calculating the days of work entitling a worker to leave. (The maximum duration of such interruptions and the type of activities for which such interruption might be permissible should be determined in consultation with the employers' and workers' organisations.)

2.27 Action to be Taken on the Decisions of the Committee

A statement on the action taken on the decisions reached at the first and second sessions should be placed before the next session of the Committee.

THIRD SESSION

(New Delhi, 3 April 1956)

Chairman—SHRI VISHNU SAHAY

CONCLUSIONS

3.1 Progress Report on Action Taken on the Conclusions of the First Session of the Committee

The Committee noted the progress and recommended the following action:—

(i) *Convention (No. 29) concerning Forced or Compulsory Labour (1930)*

A report should be prepared on the action taken by such of the State Governments as had not taken action (till the date of the report) pursuant to the ratification of the Convention.

- (ii) *Convention (No. 87) concerning Freedom of Association and Protection of the Right to Organise (1948)*

The Committee was of the view that there were practical difficulties standing in the way of ratification of the Convention by India. The position should be adequately explained to the ILO.

- (iii) *Convention (No. 94) and Recommendation (No. 84) concerning Labour Clauses in Public Contracts (1949)*

The attention of the Port Trusts should be drawn to the need for the incorporation of the Fair Wage Clause, Contractors' Labour Regulations, etc. in their contract forms.

- (iv) *Convention (No. 100) and Recommendation (No. 90) concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (1961)*

The Committee considered that where minimum wages were fixed, it should, as far as possible, be ensured that wage rates—whether piece rates or time rates—were the same for men and women.

3.2 *Action Taken on the Conclusions of the Second Session of the Committee*

The Committee noted the action taken and made the following recommendations:—

- (i) *Convention (No. 17) concerning Workmen's Compensation for Accidents (1925)*

The desirability of amending the Workmen's Compensation Act, 1923, with a view to extending its benefits to more categories of workers, as contemplated under Article 2 of the Convention, should be examined.

- (ii) *Convention (No. 42) concerning Workmen's Compensation for Occupational Diseases (Revised, 1934)*

The ratification of the Convention would be possible only after the Employees' State Insurance Scheme had been extended to all workers in industries where silicosis was an occupational disease.

- (iii) *Convention (No. 96) concerning Fee-Charging Employment Agencies (Revised, 1949)*

No legislation need be undertaken at this stage.

- (iv) *Progress Report.*

The Committee desired to have a progress report placed before its next session in respect of such of the items as were still under consideration or examination.

3.3 *Recommendation (No. 31) concerning the Prevention of Industrial Accidents (1929)*

The Committee recommended that a comparative study of the incidence of industrial accidents with an analysis of frequency and severity rates should be undertaken by the Labour Ministry and a paper on the subject should be placed before the Committee at its next meeting.

3.4 *Recommendation (No. 32) concerning Responsibility for the Protection of Power-Driven Machinery (1920)*

The following action was suggested:—

(i) the provisions of the Recommendation should be specially brought to the notice of the State Governments with the request that they might urge their Factory Inspectorates to pay special attention to the enforcement of the relevant provisions in the Factories Act;

(ii) the Chief Adviser, Factories, might be requested to prepare a review of the working of these provisions in the Factories Act;

(iii) the provisions of the Recommendation might specially be brought to the notice of organisations of employers with the request that the manufacturers and sellers of such machines might be made aware of the requirements of law;

(iv) the provisions of the Recommendation might be brought to the notice of the Ministry of Commerce and Industry with the request that these be brought specifically to the notice of manufacturers of machinery in India through their consultative machinery;

(v) the provisions of the Factories Act might be amended to cover also the manufacture of machines in India (sale and installation being covered already); and

(vi) the ILO might be informed of the provisions of the Factories and Mines Acts to show that India had taken action on the Recommendation.

3.5 *Convention (No. 104) concerning the Abolition of Penal Sanctions for Breaches of Contract of Employment By Indigenous Workers (1955).*

No specific action was required to be taken by India.

3.6 *Recommendation (No. 99) concerning Vocational Rehabilitation of the Disabled (1955)*

The Scheme proposed to be implemented by the Coal Mines Welfare Fund Organisation for providing suitable jobs to the disabled miners should be suggested for implementation by other organised industries also.

FOURTH SESSION

(New Delhi, 10 July 1957)

Chairman—SHRI P. M. MENON

CONCLUSIONS

4.1 Action Taken on the Conclusions of the Previous Sessions

The Committee took note of the position in respect of the different Conventions and Recommendations, and recommended as follows:—

- (i) *Convention (No. 20) concerning Night Work in Bakeries (1925)*
It was not necessary or advisable to ratify the Convention.
- (ii) *Convention (No. 43) for the Regulation of Hours of Work in Automatic Sheet Glass Works (1934)*

In view of the infant nature of the Sheet Glass industry in India, there was no need for disturbing the existing practice of three shifts per day and the 48-hour week.

- (iii) *Convention (No. 99) concerning Minimum Wage Fixing Machinery in Agriculture (1951)*

Action for ratification of the Convention should be initiated in consultation with the Ministry of Law after the amendment to the Minimum Wages Act, 1948, was passed by Parliament.

- (iv) *Recommendation (No. 87) concerning Vocational Guidance (1949)*

“Career Pamphlets” brought out by the Directorate General of Resettlement and Employment should be given adequate publicity.

- (v) *Recommendation (No. 31) concerning the Prevention of Industrial Accidents (1929)*

(a) Any steps for preventing accidents in non-factory employments that might already be under consideration should be expeditiously implemented.

(b) It should be recommended to State Governments that small bipartite committees at the industry cum local level should be constituted to pay surprise visits to the work-sites with a view to assessing the adequacy of safety measures and recommending suitable measures for eliminating or reducing accidents.

(c) The results of the Industrial Hygiene Surveys, conducted by the Organisation of the Chief Adviser, Factories, should be given due consideration by State Governments and appropriate steps taken, wherever necessary.

4.2 Position of Ratified Conventions having Special Provisions for Under-developed Countries

The feasibility of amending the existing laws or enacting new ones so as to enable the Government to draw up a phased programme with a view to implementing as many of the general provisions

of the Conventions in question as possible should be examined and a report placed before the Committee at its next session.

4.3 Convention (No. 100) concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (1951)

The question of ratification of this Convention should be re-examined in consultation with the Ministry of Law.

FIFTH SESSION

(New Delhi, 5 January 1960)

Chairman—SHRI P. M. MENON

CONCLUSIONS

5.1 Action Taken on the Conclusions of the Previous Sessions

The question of ratification of this Convention should be re-examined of Wages and Hours of Work (1938) should be reviewed again from the point of view of ratification.

5.2 Special Provisions in the Conventions Ratified by India

The Committee agreed that time was not yet ripe for India to renounce the special provisions on the basis of which Conventions Nos. 1, 5, 14, 89 and 90 were ratified. The question should, however, be reviewed at an appropriate time.

5.3 Exemption Clauses in the Conventions Ratified by India

The Committee agreed that it would not be practicable to renounce the right to make use of the exemption provisions in Conventions Nos. 1, 4, 5, 6, 14, 29, 32, 45, 81, 88, 89, 90, 100 and 107.

5.4 Resolutions Adopted by the International Labour Conference During the Last Five Years

The memorandum placed before the Committee contained a brief account of the Resolutions adopted by the International Labour Conference during the past five years and the position in India in respect of the matters covered by them. The Committee took note of the information.

5.5 Convention and Recommendation Adopted at the 43rd Session (June, 1959) of the International Labour Conference

(i) With regard to Conventions (Nos. 112, 113 and 114) concerning the Minimum Age for Admission to Employment, Medical Examination and Articles of Agreement of Fishermen, the Committee recognised that it would not be feasible to ratify them at this stage.

(ii) Regarding Recommendation (No. 112) concerning Occupational Health Services in Places of Employment, the Committee was not in favour of adopting any statutory measures for the provision of such services. Efforts should, however, be made to encourage the establishment of such services on a voluntary basis.

5.6 *General Review of the Position Regarding Ratification of ILO Conventions*

The Committee recommended that a suitable Chart indicating the present position in regard to Conventions ratified, Conventions not ratified and Conventions not applicable to India, etc. should be prepared and made available to the members of the Committee. A similar Chart should be prepared in respect of Recommendations also.

SIXTH SESSION

(Bangalore, 8 October 1961)

Chairman—SHRI P. M. MENON

CONCLUSIONS

6.1 *Action Taken on the Conclusions of the Previous Sessions*

Regarding Convention No. 63, employers' and workers' representatives pointed out that there were several lacunae in the manner of collection and presentation of labour statistics and there was also considerable scope for simplification of returns called for under the various Acts. It was, therefore, agreed that the Director, Labour Bureau, should prepare a comprehensive paper on the subject which could be discussed by a small tripartite committee.

6.2 *Question of Ratification of the Plantations Convention (No. 110), 1958*

It would not be possible for India to ratify the Convention as it stood. The Indian representatives to the eleventh session of the ILO Asian Advisory Committee (Geneva, November 1961) should draw the specific attention of that body to the need for suitably modifying the scope of the Convention so as to facilitate its ratification by countries like India.

6.3 *Problems Arising Out of the Ratification of the Forced Labour Convention (No. 29), 1930*

The Committee recommended that every effort should be made to ensure full compliance with the provisions of the Convention in the light of the observations made by the ILO Committee of Experts on the Application of Conventions and Recommendations and on the basis of the advice of the Central and State Law Departments.

6.4 *Action Taken on the Convention (No. 115) and Recommendations (Nos. 113 and 114) Adopted at the 44th Session of the International Labour Conference (June, 1960)*

The Committee took note of the information particularly the fact that the Government of India might be able to ratify the Convention (No. 115) concerning the Protection of Workers Against Ionising Radiations after the Atomic Energy Act was amended and enforced in the modified form.

6.5 Reports on Recommendations and Unratified Conventions for the Period Ending December 1960

The workers' representative urged that in future the organisations should be supplied with the texts of the relevant Conventions and Recommendations and the report forms, etc. while being called upon to send comments. This was agreed to.

6.6 Resolutions Adopted at the 43rd and 44th Sessions of the International Labour Conference (1959-60)

An account of the position in India on matters covered by the Resolutions (which related to the problems of young workers and activities in the field of health and safety) was before the Committee. The information was noted.

6.7 General

The employers' and workers' representatives observed that in order to ensure that the Conventions and Recommendations formulated by the International Labour Conference could be ratified to a much greater extent by countries like India, Government should have full consultations with the employers' and workers' organisations before briefing the Government delegations. Such a procedure would enable the entire Indian delegation to present a united front whenever necessary and secure due recognition of India's view point.



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APPENDIX I

The Gregory Committee's Report on the General Principles of Fixing Dearness Allowance to Employees in Industrial Concerns, 1944.

EXTRACTS

13. The question of rationalising dearness allowances was discussed by the Plenary Labour Conference held at New Delhi on the 6-7 September 1943, in terms of a questionnaire which covered the main points at issue. We think it desirable that we should adhere to the same questionnaire. In what follows, then we give our answers to the separate issues posed.

14. The first question was: Is it necessary to have general uniform principles, for fixing dearness allowance, or bonus?

To this our answer is a two-fold one: First, it is in our opinion indispensable that the issue of dearness allowance should be kept rigidly apart from any question of bonus. A dearness allowance should be granted, for the purpose of compensating changes in the cost of living or changes in the purchasing power of money. Whether a particular industry is so prosperous that, after paying dearness allowance on the scale considered desirable, it is still in a position to make further grants to its workers, is another matter altogether. There has, in fact, been a considerable degree of confusion of thought as to the conditions which justify, respectively, a wage-change, the grant of a dearness allowance and the grant of a bonus. Second, we regard it as absolutely necessary that there should be general principles for fixing dearness allowance. The present state of affairs is completely chaotic, e.g., some employers have paid dearness allowances in place of higher wages, others have paid higher wages in place of dearness allowance. This state of affairs should not be allowed to continue.

15. The second issue was formulated in the questionnaire as follows: "If the reply to (1) is in the affirmative,

- (a) what should be the general principles? Should the general principles allow for different rates for different industries or for different regions? If so what should be the governing factors and the demarcation of regions?
- (b) Should it be laid down that the degree of assistance given towards the increased cost of living should diminish as wages increase above subsistence level? If so, how".

16. Sub-head (a) obviously concerns three separate matters of which the first is clearly the most important. At the risk of repetition at later points in our report, we wish at this stage to set out in some detail what in our opinion the "general principles" guiding the grant of dearness allowance should be.

17. It will be obvious that at a time of universal shortage, it is impossible to compensate everyone, throughout the whole range of industrial incomes, without the compensatory action becoming self-stultifying. At some point in the income-scale, a line must be drawn, beyond which it must be assumed that the *de facto* income, though no longer buying as much as it did before the War, yet buys such a sufficiency of real things as not to require any special consideration. We put this dividing line at the amount fixed by the Payment of Wages Act, viz.—200 rupees. But this is the least difficult of the issues that we have to face. Within this income limit, if dearness allowances are to be paid, they can be paid on two alternative hypotheses, viz., on the assumption that each individual should be treated in exactly the same way as every other individual, or on the assumption that even with a ceiling income above which no compensation is necessary, there are differential standards of life, so that, taking incomes of 75, 100 and 150 rupees for instance, the amount of dearness allowances should rise in absolute amount with the income itself. In other words, if the limit of income is 200 rupees, and if the income within that limit is to receive full or partial compensation, should every one receive that amount of compensation stated in so many rupees, or in such and such a percentage of actual income? And if an absolute amount of compensation (i.e., so many rupees) is to be paid, to what income, in terms of rupees, is it to be related?

18. We have reached the conclusion that it is desirable that the amount of dearness allowance should be an absolute amount i.e., that it should be a fixed amount in terms of rupees (subject to a portion or the whole of it being paid in kind and subject also, in the opinion of some of us to a limit governed by reference to the actual wage received on the lines of the second proviso enunciated below). That is to say, we reject the idea that dearness allowance should be laid down *ab initio* as a percentage of actual income. But this still leaves us with considerable difficulties. It is clear that there are some incomes so low that they required full compensation, and that, if the amount of compensation required can be stated in terms of rupees, that amount of rupees when applied to larger incomes, will result in a diminishing percentage of compensation. We have however, been unable to agree among ourselves as to the precise determination of the incomes which should be compensated in full, and we, therefore, present below the various alternatives which have found favour with various members of our Committee. We premise what follows with the following condition: that earnings in the formulae are understood to refer to a full normal period of employment for adult male workers. Separate calculations should be made for workers other than adult male workers. Where an individual has, in any given period of time, worked less than the normal period, his dearness allowance shall be calculated not on the assumption that he has worked the full normal period, but on the earnings for the actual number of days that he has been at work. In such calculation of earnings, receipts on account of overtime work should be excluded. Subject to the aforesaid, the two fundamental alternatives are as follows:—

- (1) The absolute amount of dearness allowance should be equated to full compensation for the weighted average

of the earnings of all wage-groups below the ceiling wage of 200 rupees

or

- (2) The absolute amount of dearness allowance should be equated to full compensation for the weighted average earnings of all wage-groups below the weighted average as calculated in the first of these formulae.

Some of our colleagues are of the opinion that if the first of these formulae is adopted, the amount of full compensation shall be adjusted to 75 per cent of the actual average: that is to say (in formula No. 1), if the weighted average is say 40 rupees, compensation shall be on the assumption that the weighted average is 30 rupees. Other members are of the opinion that, whether the first or the second of these formulae is accepted, in the case of a person whose actual earnings are below the weighted average, his dearness allowance shall be calculated on the actual earnings.

The establishment of what actually constitutes the weighted average of earnings under either of the formulae mentioned above would have to be determined by Government.

19. The adoption of either of the two main formulae proposed will, of course, mean that the lower and lowest income-groups will receive compensation in excess of what they would receive if the compensatory payments were based on their actual earnings: on the other hand, the higher wage-groups would inevitably receive less. Some members of the Committee believe that this general result is in accordance with social need. But, as the qualifications set out in paragraph 18 above will indicate, other members also think that it is necessary to go further in the provision of additional safeguards, either to avoid the danger of accentuating the inflationary spiral, or to avoid the danger of an undue disturbance of the established wage-structure.

We wish to make it clear that where a worker at present drawing dearness allowance would be entitled to a higher dearness allowance if either of the main formulae (subject, of course, to the limitations of either of the provisos, if accepted) were adopted, the amount of such allowance must be determined in the light of the indices actually employed in the industry or region in which he is working. The suggestion in para 12 that unsatisfactory cost-of-living indices should be replaced by retail price-indices should be applied *pro future* only; to govern variations in the amount of dearness allowance after the initial adjustments have been made. Apprehensions have been expressed lest the fall in the cost of living should reduce earnings to below the level ruling at the outbreak of the War. This apprehension arises on the assumption that the rise in living costs has not been reflected in dearness allowances and that whereas less than 100 per cent of the rise has been given the full 100 per cent will be taken off in the fall. It is clear, however, that dearness allowance can only be reduced to nil and that wages as such will not be reduced thereafter merely because of the fall in the cost of living. Where dearness allowances have been given in the shape of a rise

in actual wage levels, it is presumed that wages will not be allowed below the 1939 levels merely because of the fall in the cost of living.

20. To turn now to the second question of part (a) of the question as set out in paragraph 15. We think the ideal procedure would be that in each region there should be a single dearness allowance to which the workers in that region should be entitled; but we are aware that, in fact, a considerable measure of differentiation exists among different industries within the same region. Though we do not regard bonus as substitute for dearness allowance, it may be considered whether it is not desirable for industries paying dearness allowance above the standard to reduce it to the standard level, and for the time being to compensate their workers by a deferred bonus to the extent of the excess. In the interests of uniformity, we recommend that excess profits rules be adjusted correspondingly.

21. There are obvious variations in the cost of living in different parts of India at the present time. It is never easy to draw dividing lines, though the fact that food prices are governed by provincial policy and stand at markedly different levels even in neighbouring provinces, suggests that for the moment, at any rate, the provincial area, rather than any suggested regional area, should generally be adopted. Our attention has, however, been drawn to the circumstance that portions of a province may economically be more closely linked with a neighbouring province than with the life of the province of which it forms an administrative part: in such cases, in the grant of dearness allowance notice should be taken of the circumstances.

As regards sub-item (b) i.e., "Should it be laid down that the degree of assistance given towards the increased cost of living should diminish as wages increase above subsistence level" we would point out that the adoption of either of the formulae set out in paragraph 18 above would automatically result in a diminution of the proportion which dearness allowance bears to wages as the wage rises above subsistence level.

22. The third main issue in the questionnaire was stated thus: if and when such principles are laid down, should they be so worked that not only are tendencies to give higher allowances checked but that such allowances as fall below the prescribed standard are raised?

We answer this question in the affirmative, and are of the opinion that the adoption of either of the alternatives mentioned in paragraph 18 above would in fact raise the allowances below the prescribed standard and lead to a check in granting higher allowances.

23. The next question raised is this: Should the allowance be automatically related to increases or decreases in the cost-of-living index? And should the scale of neutralisation diminish as prices rise above a certain level?

It is obviously not possible to change the allowance with every change in the guiding index, which, as we have indicated, should in the future, until comparable cost of living indices are available, be the local, regional or provincial retail price-index, (subject to such

exceptional areas as are referred to in para 12*). In that sense, we reject the idea of an automatic increase with every small change in the index. On the other hand, we take the view that rising or falling retail prices (or, *mutatis mutandis*, a rising or falling cost-of-living index) should justify additional or diminishing allowances related to the rise or fall. We have stressed throughout our Report that our concern is primarily with the low income-groups and these obviously suffer most as prices rise. It appears to us to be a negation of the idea of a dearness allowance to reduce the scale as prices rise, since this would afford a smaller degree of relief precisely when circumstances demand the opposite course of action.

24. The fifth issue is: Should the allowances be fixed on a percentage of wages or incomes or at flat rates in slabs varying according to wage levels? The sixth issue is so closely associated with the fifth that we prefer to deal with both of them together. The sixth issue is as follows: If the allowances are at flat rates should there be only one flat rate or two flat rates or more? It follows logically from the scheme already set out in a previous paragraph, that we are in favour of one flat rate of dearness allowance for all workers, consequently we desire to see one slab only.

25. The seventh question which the questionnaire posed was this:—Should there be a limitation that no allowances or/and bonuses should place the person in a better position than he enjoyed in 1939 before the war?

For reasons which we have already pointed out it is impossible at a time of general shortage to improve the position of the community all round, and any attempt to do so will merely result in an inflationary spiral. For this reason we take the view that, in general, dearness allowance should obviously not place the individual in a better position than he enjoyed before the War.

To this general rule some Members of the Committee are consciously prepared to make one exception. Under either of the two formulae set out in paragraph 18 above, the lower and lowest ranks of wage earners are entitled to be better off than they were before the War, since the dearness allowance will be adjusted to an average higher than the actual wage they have been drawing. On balance these Members believe that the result is socially justified, but they are not prepared to generalise this concession.** We wish to emphasise that these remarks apply only to dearness allowances. Particular industries may find themselves in a position to pay bonuses to their workers. With such grants we are not concerned,

*In para 12 the Committee accepted Shri Deshpande's suggestion that the retail price index numbers compiled under the Central Scheme may be made use of in all centres with the possible exception perhaps of Bombay, Cawnpore and Madras and also of Ahmedabad, Sholapur and Nagpur if weightages for the last three centres are revised on the receipt of more recent enquiries.

**If the proviso that where a worker is in receipt of earnings below the appropriate weighted average the dearness allowance should be calculated on his actual earnings were accepted, this result would be automatically achieved.

since we have not been asked to lay down any general principles by which the grant of bonus should be governed.

26. The eighth question is as follows:—In view of the need to fight inflationary tendencies, should the cash element of allowances be fixed at a minimum and the bulk of the allowance be made available in kind, through supplies of essential articles at concessional rates?

We strongly favour this suggestion, not necessarily because it has any very decided influence on the inflationary problem, except to the extent that competitive buying is eliminated, but on the ground that it has the very obvious advantage of securing that the individual worker actually obtains the constituents of his standard of living, instead of having to struggle with others, perhaps at rising prices, in order to obtain them, possibly finding himself unsuccessful in the end.

27. The ninth question series contained in the questionnaire is as follows:—"How should the general principles be implemented? Should there be legal compulsion or can voluntary experiment achieve the desired results? Should authorities be set up in different regions or for different industries to decide finally on all questions relating to dearness allowance and bonus, apart from the adjudication procedure already provided for?"

A majority of members oppose and a minority support implementation of general principles by legal compulsion apart from the adjudication procedure already provided.

28. Whilst we have been concerned in this Report purely with industrial labour, we desire to make it clear in our opinion that clerical and lower-paid supervisory classes have also suffered severely from the rise in the cost of living, and the limitation of our recommendations to the industrial classes as such should not be interpreted as excluding the consideration of the position of the clerical and lower-paid supervisory classes.

APPENDIX II

Report of the Sub-Committee on the Constitution of Tripartite Organisation.

We met at New Delhi on 25 May 1945 to consider the proposals* made in the memorandum dated 24 February 1945. Opinions were received in advance in writing from the organizations represented on the sub-committee and these were also discussed.

2. We are of opinion that no change need be made in the constitution of the Tripartite Plenary Labour Conference. It should deal with all labour subjects and should briefly be called "Labour Conference". Its composition should remain unaltered but, in nominating representatives of employers and employees, not represented through the recognised all-India organisations, care should be taken that they are drawn from classes which are not substantially represented on those organizations and are by themselves truly representative of the interests concerned. In doing so, the aim should be to discourage separatist tendencies and to accord representation to such interests (particularly in the case of employing interests) as cannot be affiliated to the all-India organizations, e.g. municipalities, port trusts, stevedore labour or any other interests which are essentially non-industrial in character. It is understood that railway unions, as a rule, are affiliated either to the All-India Trade Union Congress or the Indian Federation of Labour and are thus already represented in fact on the tripartite organisation. Handloom industry, both master weavers and men, can also organise and secure representation through the all-India organizations.

3. The Standing Labour Committee should maintain its present composition with the Honourable the Labour Member as the President. The Committee should, however, derive its power from the Labour Conference. The Committee should deal with specific general questions referred to it by the Conference for detailed examination and report, as also with matters on which Government may desire similar examination before fuller discussion at the Labour Conference. The latter cases will partake somewhat of the double-discussion procedure in vogue at the International Labour Organization. The recommendations and reports of the Committee should be made to the Conference, except when the Conference itself directs the Committee to address them to Government or in cases of considerable urgency when, to avoid delay, Government may require early advice of the Tripartite Organization. It will be open to the Committee to advise that no action should be taken in the latter class of cases pending a full discussion at the Conference—and, if in such a case, Government found it necessary to take action before receipt of the Conference's opinion,

*Same as those in the Chairman's speech at the sixth session of the Indian Labour Conference.

it would not be open to Government to quote or rely on the opinion of the Standing Labour Committee. Sir Shri Ram (representative of employers) dissents from these views and considers that the recommendations, etc., of the Committee should invariably be addressed to the Labour Conference, except in cases of extreme urgency. The expressions of opinion at the Standing Labour Committee should be treated as confidential.

4. We consider it would be difficult to set up a Labour Welfare Committee to deal with various labour subjects on an all-India basis. It is preferable to make a start with *ad hoc* committees on tripartite basis either for different industries or on a regional or all-India basis, according to requirements of each case. The aim should be ultimately to move towards the evolution of a single Labour Welfare Committee for all industries and regions in the light of the working of the *ad hoc* committees. We attach two lists on the 'terms and conditions of employment' and 'concrete questions relating to Labour Welfare', the second of which in our opinion, is suitable for the selection of subjects on which *ad hoc* committees may be appointed as and when advisable. These lists are not exhaustive and may be amended or added to from time to time.

5. We understand that Government representatives meet together a day before the Labour Conference with a view to arrive at an agreed plan for discussions at the Conference. We consider that it might prove advisable for the different groups represented in the Labour Conference similarly to have a discussion among themselves before the Conference to exchange views, formulate group policy and, to avoid repetitions of arguments at the Conference, to select speakers for the expression of their views. Government should make available to the all-India organisations concerned the names of persons appointed to represent independent employers and employees and should be prepared to make available if required a room for such group discussions.

H. C. PRIOR
A. HUGHES
S. V. JOSHI
M. A. MIRZA
SHRI RAM
R. MENZIES
V. V. GIRI
V. M. TARKUNDE.

LIST I

Terms and conditions of employment

1. Recruitment—methods of.
2. Wages—fixation and payment.
3. Hours of work—limitations and exceptions.
4. Working conditions in regard to health and safety.

5. Standing Orders and unfair practices.
6. Holidays—paid and unpaid.
7. Termination of employment.
8. Combination and recognition.

LIST II

Concrete questions relating to labour welfare

1. Housing—provision of, and rent.
2. Health—in habitations
 - (a) dietary
 - (b) medical facilities
 - (c) sanitary arrangements
3. Education—3 R's and vocational.
4. Other activities—
 - A—inside the workplace
 - (a) canteens
 - (b) shelters for rest
 - (c) creches.
 - B—at home
 - (a) physical culture
 - (b) recreation
 - (c) amusement
5. Co-operation.
6. Employment of welfare staff.

APPENDIX III

Five-year Labour Programme

A brief summary of the programme is given below:—

(1) *Legislation*

- (i) Revision of the Factories Act
- (ii) Enactment of Health Insurance Legislation
- (iii) Minimum Wages Legislation
- (iv) Amendment of the Trade Unions Act
- (v) Trade Disputes Legislation
- (vi) Revision of the Workmen's Compensation Act
- (vii) A Central Act for Maternity Benefits
- (viii) A Central Act regulating conditions of work in Shops and Commercial Undertakings
- (ix) Legislation for regulating conditions of work in Road Transport and other Services, viz., Tramways and Motor Vehicles plying for passenger or goods traffic, Dock and Municipal labour
- (x) Revision of the Mines Act
- (xi) Legislation to replace the Ordinance constituting the Coal Mines Welfare Fund, and for providing dispensary service for Coal Miners
- (xii) Revision of the Payment of Wages Act
- (xiii) Legislation for enforcing improvements in the working conditions in Plantations.

(2) *Administrative Measures*

A. Provincial

- (i) Expansion of the Factory Inspection Services
- (ii) Organisation of an Inspectorate for enforcing legislation relating to the regulation of conditions of workers in Shops and Commercial Undertakings, Transport Services and Plantations, etc.
- (iii) Setting up of an Administrative Organisation for prescribing and enforcing minimum wages in 'sweated' industries
- (iv) Conciliation and Adjudication Machinery
- (v) Labour Welfare Organisation
- (vi) Housing
- (vii) Provision of medical service in connection with the Health Insurance Scheme

- (viii) Extension of measures recently taken by the Central Government for the benefit of workers in road construction and buildings to similar categories in the Provinces, and
- (ix) Co-operation between Central and Provincial Governments in regard to—
 - (a) collection and maintenance of statistics relative to cost of living indices and labour statistics;
 - (b) exchange of information regarding labour situation; and
 - (c) conduct of enquiry into earnings of agricultural labour.

B. Central

- (i) Organisation of the Workmen's State Insurance Corporation
- (ii) Organisation of the Chief Adviser, Factories
- (iii) Expansion of the Mines Inspectorate
- (iv) Constitution of Labour Bureau
- (v) Conciliation and Adjudication Machinery for Central undertakings and for Centrally administered areas
- (vi) Administration of the Coal Mines and Mica Mines Welfare Funds
- (vii) Organisation of training courses for candidates for appointments as Labour Welfare or Personal Relations Officers either under Government or private employers
- (viii) Machinery to co-ordinate the execution of Housing Schemes
- (ix) Organisation and expansion of Employment Exchange Services.

(3) Joint Measures

- (i) Study of wage and dearness allowance structure with a view to standardising occupational terms and wages and the determination of differentials in wage rates as between various occupations in an industry, and the promotion of agreements for the payment of a fair wage to all workers
- (ii) Measures for securing a living wage to miners and plantation workers
- (iii) Study of administrative and financial aspects of Unemployment Insurance
- (iv) Elimination and regulation of contract labour
- (v) Reform of the system of recruitment with a view to the elimination of middlemen
- (vi) Institution and expansion of schemes for imparting training to workers, including miners, with a view to improve their productive and earning capacity

- (vii) Standard'sation, as far as possible, of terms of service and the evolution of fair conditions of service, particularly relating to security of tenure
 - (viii) Constitution of joint Works Committees of employers and workers
 - (ix) Constitution of Industrial Committees for Coal, Plantations, Jute, Cotton Textiles and Engineering Industries.
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APPENDIX IV

Note on the Constitution of the Indian Labour Conference and the Standing Labour Committee

[Placed before the eighth session of the Indian Labour Conference, New Delhi, 21-22 April 1947]

The Indian Labour Conference and the Standing Labour Committee were constituted in 1942. According to the Constitution, the Conference was to consist of 44 representatives—22 representing Central, Provincial and State Governments, 11 representing employers and 11 representing workers. The Conference should meet at least once a year and its functions were “to advise the Government of India on any matters referred to it for advice, taking into account suggestions made by Provincial organisations of workers and employers recognised for the purpose of the Conference”.

2. The Standing Labour Committee was to consist of 20 members—10 representatives of Government, 5 of employers and 5 of workers. The Constitution provided that the Committee—

- “(i) should meet as often as it might be convened by the Central Government for the consideration of questions that might arise before it; and
- (ii) should advise Government on any matters referred to it by Government, but that copies of such advice should be forwarded to all members of the Plenary Conference, and to report to the Plenary Conference upon any matters referred to it by that Conference.”

3. At the next Labour Conference held in September 1943, it was decided that delegates might be accompanied by advisers. Provision was accordingly made that—

- “(i) a delegate representing more than one Province or State may be accompanied by one adviser each from such Province or State other than his own,
- (ii) a delegate representing the Government of India may be accompanied by not more than 3 advisers; and
- (iii) each delegation representing employers and workers may be accompanied by advisers, not exceeding the number of delegates constituting the delegation.”

The advisers may speak but not vote.

4. After some experience was gained of the working of the Conference, it was found that the Constitution needed certain changes. They are briefly as described below:—

- (i) It was felt that there was no clear-cut division of functions between the Conference and the Standing Labour Committee. It was not that one was a deliberative body and

the other an executive body. Both were deliberative, and the subjects discussed by both were of the same nature.

- (ii) There being no clear-cut division between questions and concrete problems, the discussion in the Conference, as well as in the Committee became too general to be of much use. Even concrete problems were treated as though they were general.
- (iii) The provision relating to advisers also needed modification.
- (iv) There was no machinery to undertake the task of examining special problems and reporting upon them.
- (v) There was no machinery to study and advise on problems of labour welfare, industry by industry.
- (vi) There was criticism from the employers' side against the reservation of three seats, to be filled by nomination by Government.
- (vii) The method of representation of labour was also said to suffer from the defect that among those who represented labour there were none who actually belonged to the working classes.
- (viii) An analogy was also drawn between the I.L.O. and the Conference and it was claimed that the Conference both in its Constitution and procedure should be modelled on the I.L.O. and that it should have the right to decide its own agenda.

5. Dealing with the criticism that Labour Conference should be modelled on the I.L.O., the then Labour Member pointed out that the I.L.O. was an independent organisation created by an International treaty and that its Conventions and Recommendations placed definite obligations on Member States, failure to fulfil which involved certain international liabilities. Its constitution was regulated by itself and it has its own independent finance. The Indian Labour Conference on the other hand, was not independent in the same sense as the I.L.O. was. It was only an advisory body constituted to advise the Government of India on such matters as were referred to it for advice. It could not take decisions. On the question of the right of the Labour Conference to determine its agenda, the then Labour Member said that Government could not surrender the right to frame the agenda for the Conference as the Conference was not a Legislature or any independent authority.

Certain suggestions were placed before the Sixth Labour Conference for consideration.

First, it was suggested the subjects should be divided into two categories, one dealing with general subjects, such as terms and conditions of employment, labour legislation, questions relating to social security and the other dealing with all concrete questions relating to labour welfare and administration of labour laws. Subjects in List I should be assigned to the Plenary Conference and a new body should be created, called the Labour Welfare Committee, which would consider subjects coming in List II.

Secondly, the Standing Labour Committee should cease to be a deliberative body, and that it should act as the agent of the Conference and perform such duties as may be assigned to it from time to time. It would normally report to the Conference, but it should be open to Government to refer to it any matter on which it needed advice urgently.

6. These proposals were remitted for consideration by a Committee which reported that "no change need be made in the Constitution" of the Plenary Labour Conference and that it should continue to deal with all labour subjects. Its composition should remain unaltered; but in nominating representatives of employers and employees, not represented through recognised all-India organisations, care should be taken that they are drawn from classes which are not substantially represented on these organisations and are by themselves truly representative of the interests concerned. In doing so, the aim should be to discourage separatist tendencies and accord representation only to such interests as cannot be affiliated to all-India organisations.

The Standing Committee should maintain its present composition, but it should derive its powers from the Labour Conference. It should deal with specific general questions referred to it by the Conference for detailed examination and report, as also matters on which Government may desire similar examination before fuller discussion at the Conference. The latter will partake somewhat of the double-discussion procedure in vogue at the international Labour Organisation. The recommendations and reports of the Committee should be made to the Conference except when the Conference itself directs the Committee to address them to Government or in cases of considerable urgency when, to avoid delay, Government may require early advice of the tripartite organisation, but it will be open to the Committee to advise that no action should be taken in the latter class or case except after a full discussion at the Conference. The Committee also considered "that it would be difficult to set up a Labour Welfare Committee to deal with labour subjects on an all-India basis and preferred that a start should be made with *ad hoc* committees on a tripartite basis either for different industries or on a regional or on an all-India basis, according to requirements of each case". When the report of the Committee was discussed, workers' representatives desired the establishment of industrial committees on the lines of the I.L.O. The matter was left there, and a final decision was deferred for the time being.

7. Government have now decided to set up Industrial Committees for all principal industries. A Committee has been set up for Plan-tation Labour. Committees have been organised for coal mining and cotton textile industries. It is also proposed to set up Committees for other important industries. These Committees will discuss various specific problems special to the industries covered by them and submit their reports to the Conference, which will co-ordinate their activities. In urgent cases, Government may take action on the basis of conclusions reached by the Committees, but even then, a report will be made to the main Conference of the action taken by Government.

8. The constitution of these Industrial Committees raises the question whether some change is not required in the Constitution and functions of the Labour Conference and the Standing Labour Committee. If both these bodies are to serve as deliberative bodies, there is clearly no need for three meetings in a year or even two. Unless its Constitution is revised, the Standing Labour Committee cannot serve as an executive body of the Labour Conference either. It is too big a body to serve as an efficient executive Committee. It has been set up more as a deliberative body than as an executive organisation. It is, therefore, suggested that the Standing Labour Committee should be abolished and should be replaced by a Standing Committee consisting of 12 members, 6 from the Government group 3 from employers and 3 from workers. Even 12 is a somewhat unwieldy number for an executive body and a Committee of eight members might be just the right one. The Standing Committee which will be an executive body might be entrusted with the duty of giving full consideration to the agenda of the Conference, to submit a report of the conclusions on each item for the consideration of the Conference. This would provide for a preliminary examination at a fairly expert level of the various items coming up for the agenda. Discussions at the Conference would be more purposeful and to the point, if this preliminary examination could be arranged for. In addition, the Standing Committee may also consider the programme of the Conference and its future agenda. This would provide the necessary link between Conference and Government in regard to the agenda. In other words, while Government will continue to finally determine what the agenda should be, they would have an opportunity of knowing the views of employers' and workers' representatives on the subjects that may be suggested for discussion at the Conference. The Standing Committee will meet before the Conference, but in addition, meetings of the Committee could be arranged as and when found necessary.

9. Another question for consideration is whether the Labour Conference should consist of 44 representatives, and if so, whether representation should be assigned to the various bodies. For example, in regard to workers' representatives the question has been raised that equal representation should not be given to all organisations, irrespective of their size and standing in the country. The points for consideration are:—

- (i) should the representation assigned to the different organisations represented at the Conference be modified, and if so, how;
- (ii) should any other organisation be asked to nominate representatives, and if so, which; and
- (iii) should Government continue to have a right to nominate some of the employers' and workers' representatives as at present, and if so, what arrangements should be made to provide for proper representation of unorganised employers and workers?

10. So long as the main Conference was dealing both with general questions and specific problems, there was probably justification for

the presence of advisers. For, the newly set-up Industrial Committees will discuss all specific problems relating to individual industries. If the suggestion in paragraph 8 is accepted, the Conference will have the benefit of a preliminary examination of the items on the agenda by the Standing Committee, so that the plenary session will deal with only general principles. This being the case, there would be no necessity for advisers. If this is accepted the right of delegates to bring advisers might now be withdrawn.



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APPENDIX V

Resolution on Industrial Truce

In December 1947 the Industries Conference consisting of representatives of Government (Central, Provincial and Indian States), employers and workers unanimously adopted the following resolution on industrial truce:—

Resolution

This Conference considers that the increase in industrial production which is so vital to the economy of the country cannot be achieved without the fullest cooperation between labour and management and stable and friendly relations between them. The employers must recognise the proper role of labour in industry and the need to secure for labour fair wages and working conditions; labour for its part must give equal recognition to its duty in contributing to the increase of the national income without which a permanent rise in the general standard of living cannot be achieved. Mutual discussion of all problems common to both and a determination to settle all disputes without recourse to interruption in or slowing down of production should be the common aim of employers and labour. The system of remuneration to capital as well as labour must be so devised that while in the interests of the consumers and the primary producers excessive profits should be prevented by suitable measures of taxation and otherwise, both will share the product of their common effort after making provision for payment of fair wages to labour, a fair return on capital employed in the industry and reasonable reserves for the maintenance and expansion of the undertaking. For attaining these objectives, this Conference recommends:—

- (i) That the fullest use should be made of statutory and other machinery for the resolution of industrial disputes in a just and peaceful manner; where it does not exist, it should be created without delay. Such machinery should as far as possible be uniform throughout India.
- (ii) The establishment of machinery, Central, regional and functional, for the study and determination of fair wages and conditions of labour, and fair remuneration for capital; and methods for the association of labour in all matters concerning industrial production, such as the formation of Central, Regional and Unit Production Committees.
- (iii) The constitution in each industrial undertaking of Works Committees representing management and duly elected:

representatives of labour for the settlement of any dispute which may arise from day to day.

- (iv) That, as a first step towards improving the standard of living of workers immediate attention should be devoted to the problem of housing of industrial labour; the cost of such housing should be shared in suitable proportions between the Government, employers and labour, the share of labour being given in the shape of a reasonable rent.

The principles enunciated above having been accepted, this Conference calls upon labour and management to agree to maintain industrial peace and to avert lock-outs, strikes or slowing down of production during the next three years.

This Conference invites labour and management to assist Government to secure, promote and guarantee such agreements between the parties as will usher in a period of contented and orderly advancement towards a co-operative Commonwealth.



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APPENDIX VI

MODEL GRIEVANCE PROCEDURE

A. Grievance Machinery

A Grievance Machinery will be required to be set up in each undertaking to administer the Grievance Procedure. The minimum requirements of such a machinery would be as follows, except where an established procedure is already working to the mutual satisfaction of either party. Even in the latter case, every effort shall be made to bring the procedure in conformity with the Guiding Principles.

For the purpose of constituting a fresh Grievance Machinery, workers in each department (and where a department is too small, in a group of departments) and each shift, shall elect, from amongst themselves and for a period of not less than one year at a time, departmental representatives and forward the list of persons so elected to the management. Where the union(s) in the undertaking are in a position to submit an agreed list of names, recourse to election may not be necessary. Similar is the case where Works Committees are functioning satisfactorily, since the Works Committee member of a particular constituency shall act as the departmental representative. Correspondingly, the management shall designate the persons for each department who shall be approached at the first stage and the departmental heads for handling grievances at the second stage. Two or three of the departmental representatives of workers and two or three departmental heads nominated by the management shall constitute the Grievance Committee, the composition of which is indicated in Annexure. In the case of appeals against discharges or dismissals, the management shall designate the authority to whom appeals could be made.

B. Grievance Procedure

While adaptations have to be made to meet special circumstances such as those obtaining in the Defence Undertakings, Railways, Plantations and also small undertakings employing few workmen the procedure normally envisaged in the handling of grievances should be as follows:—

(1) An aggrieved employee shall first present his grievance verbally in person to the officer designated by management for this purpose. An answer shall be given within 48 hours of the presentation of complaint.

(2) If the worker is not satisfied with the decision of this officer or fails to receive an answer within the stipulated period, he shall

either in person or accompanied by his departmental representative, present his grievances to the Head of the Department designated by the Management for the purpose of handling grievances. (For this purpose, a fixed time shall be specified during which on any working day, an aggrieved worker could meet the departmental head for presentation of grievances). The Departmental Head shall give his answer within 3 days of the presentation of grievance. If action cannot be taken within that period, the reason for delay should be recorded.

(3) If the decision of the departmental head is unsatisfactory, the aggrieved worker may request the forwarding of his grievance to the 'Grievance Committee' which shall make its recommendations to the Manager within 7 days of the workers' request. If the recommendations cannot be made within this time-limit, the reasons for such delay should be recorded. Unanimous recommendations of the Grievance Committee shall be implemented by the management. In the event of a difference of opinion among the members of the Grievance Committee, the views of the members along with the relevant papers shall be placed before the Manager for final decision. In either case, the final decision of the management shall be communicated to the workman concerned by the personnel Officer within 3 days from the receipt of the Grievance Committee's recommendations.

(4) Where the workman is not satisfied with the final decision of management, he shall have the right to appeal to management for a revision. In making this appeal the worker, if he so desires, shall have the right to take a union official along with him to facilitate discussions with management. Management shall communicate their decision within a week of the workman's revision petition.

If no agreement is still possible, the union and the management shall refer the grievance to voluntary arbitration.

(5) Where a worker has taken up a Grievance for redressal under this procedure, the formal Conciliation Machinery shall not intervene till all steps in the procedure are exhausted. A Grievance shall be presumed to assume the form of a dispute only when the final decision of the top management in respect of the Grievance is turned down by the worker.

(6) If a grievance arises out of an order given by management, the said order shall be complied with before the workman concerned invokes the procedure laid down for redressal of grievance. If, however, there is a time lag between the issue of order and its compliance, the grievance procedure may immediately be invoked but the order nevertheless must be complied within the due date, even if all the steps in the grievance procedure have not been exhausted. It may however be advisable for the management to await the findings of the Grievance procedure machinery.

(7) Worker's representatives on the Grievance Committee shall have the right of access to any document connected with the inquiry maintained in the department and which may be necessary to understand the merit or otherwise of the workers' grievances.

The management's representatives shall have the right, however, to refuse to show any document or give any information which they consider to be of a confidential nature. Such confidential document(s) shall not be used against the workmen in the course of the grievance proceedings.

(8) There shall be a time-limit within which an appeal shall be taken from one step to the other. For this purpose, the aggrieved worker shall, within 72 hours of the receipt of the decision at one stage (or if no decision is received, on the expiry of the stipulated period), file his appeal with the authority at the next higher stage, should he feel inclined to appeal.

(9) In calculating the various time intervals under the above clauses, holidays shall not be reckoned.

(10) Management shall provide the necessary clerical and other assistance for the smooth functioning of the grievance machinery.

(11) If it is necessary for any worker to leave the department during working hours on call from the Labour/Personnel Officer or any other officer of the established grievance machinery, previous permission of his superior shall necessarily be obtained. Subject to this condition, the worker shall not suffer any loss in wages for the work-time lost in this manner.

(12) If, however, there be any complaint against any individual member of the staff, who is nominated by the management to handle grievance at the lowest level, the workman may take up his grievances at the next higher stage, i.e., at the level of Departmental Head.

(13) In the case of any grievance arising out of discharge or dismissal of a workman, the above-mentioned procedure shall not apply. Instead, a discharged or dismissed workman shall have the right to appeal either to the dismissing authority or to a senior authority who shall be specified by the management, within a week from the date of dismissal or discharge. At the time the appeal is heard, the workman may, if he so desires, be accompanied by either an official of the recognised union or a fellow worker, as the case may be.

ANNEXURE

Guiding Principles for a Grievance Procedure

Existing labour legislation does not provide for a well defined and adequate procedure for redressal of day-to-day grievances in industrial units. Clause 15 of the Model Standing Orders in Schedule I of the Industrial Employment (Standing Orders) Central Rules, 1946 specifies that 'All complaints arising out of employment including those relating to unfair treatment or wrongful exaction on the part of the employer or his agent, shall be submitted to the manager or the other person specified in this behalf with the right to appeal to the employers'.

In some industrial units, however, detailed grievance procedure has been worked out by mutual agreement. In the absence of a satisfactory grievance procedure, day-to-day grievances are allowed to pile up with the result that the accumulated discontent culminates

sometime or the other in cases of indiscipline, strikes, etc. In what follows, therefore, an attempt has been made to draw up Guiding Principles for a Grievance Procedure. It is realised that it may not be possible to apply all these principles in respect of each and every industrial unit. However, all units should endeavour to conform, as much as possible, to these principles.

Complaints affecting one or more individual workers in respect of their wage payments, over-time, leave, transfer, promotion, seniority, work assignment, working conditions and interpretation of service agreement, dismissals and discharges would constitute* grievances. Where the points at dispute are of general applicability or of considerable magnitude, they will fall outside the scope of this procedure.

A grievance Procedure should take note of the following principles.—

(1) *Conformity with existing legislation:—*

A Grievance Procedure forms part of the integrated scheme intended to promote satisfactory relations between employers and workers. This procedure should be designed to supplement the existing statutory provisions and it may, where practicable, make use of such machinery as is already provided by legislation. The Grievance machinery can be availed of on the receipt by the worker of the order causing a grievance. The operation of the order, however, need not be held up till the grievance machinery is completely exhausted. Wherever possible, attempts should be made to complete the grievance procedure between the time the order is passed and when it is acted upon.

(2) *Need to make the machinery simple and expeditious:*

- (a) As far as possible, grievances should be settled at the lowest level.
- (b) No matter should ordinarily be taken up at more than two levels, i.e., normally there should be only one appeal.
- (c) Different types of grievances may be referred to appropriate authorities.
- (d) A grievance must be redressed as expeditiously as possible and towards this end, the employer, in consultation with workers, should decide upon the time limit required for settling a grievance.

3. *Designation of authorities:*

The workmen must know the authorities to be approached and it should, therefore, be incumbent on the management to designate the authorities to be contacted at various levels.

It may be useful to classify grievances as those arising from personal relationship and others arising out of conditions of employment. In the former case, a grievance should be taken up, in the

*In the case of Defence undertakings, however, a special provision may have to be made.

first instance, with the authority in the line management immediately above the officer against whom the complaint is made. Thereafter, the matter may go to the Grievance Committee—comprising representatives of management and workers. The size and composition of the Committee shall be decided at the unit level (see Annexure).

Other grievances should be taken up, in the first instance, with the authority designated by the management. Thereafter, a reference may be made to the Grievance Committee.

Where the matter goes to the Grievance Committee in the first instance, an appeal shall lie with the top management.

ANNEXURE

CONSTITUTION OF GRIEVANCE COMMITTEE

(1) *In the case where the Union is recognised*

Two representatives of management plus a Union representative and the Union departmental representative of the Department in which the workmen concerned work.

(2) *In the case where the Union is not recognised or there is no Union but there is Works Committee*

Two representatives of management plus the representatives of the Department of the workmen concerned on the Works Committee plus either the Secretary or Vice-President of the Works Committee (this is in case the Secretary of the Works Committee is also the workman's departmental representative).

It is suggested that in the case of the management, their representatives should be the Departmental Head plus the official who dealt with the matter at the first stage, or personnel officer should act as an adviser.

The size of the 'Grievance Committee' should be limited to a maximum of four to six otherwise it becomes unwieldy.

APPENDIX VII

INTER-UNION CODE OF CONDUCT

We, the representatives of four Central Labour Organisations, namely, INTUC, AITUC, HMS and UTUC, agree to observe the following basic principles for maintaining harmonious inter-union relations:

- (1) Every employee in an industry or unit shall have the freedom and right to join a union of his choice. No coercion shall be exercised in this matter.
- (2) There shall be no dual membership of unions. (In the case of Representative Unions, this principle needs further examination).
- (3) There shall be unreserved acceptance of, and respect for, democratic functioning of trade unions.
- (4) There shall be regular and democratic elections of executive-bodies and office-bearers of trade unions.
- (5) Ignorance and/or backwardness of workers shall not be exploited by any organisation. No organisation shall make excessive or extravagant demands.
- (6) Casteism, communalism and provincialism shall be eschewed by all unions.
- (7) There shall be no violence, coercion, intimidation or personal vilification in inter-union dealings.
- (8) All Central Labour Organisations shall combat formation or continuance of Company Unions.

2. It was generally felt that machinery consisting of representatives of the four Central Labour Organisations, with an independent Chairman, might be set up for implementing the Code of Conduct. For the time being, Shri Nanda, the Union Labour Minister, might invited the parties, from time to time, for further developing and amplifying the Code.

APPENDIX VIII

CODE OF DISCIPLINE IN INDUSTRY

I. To Maintain Discipline in Industry

(both in public and private sectors)

there has to be (i) a just recognition by employers and workers of the rights and responsibilities of either party, as defined by the laws and agreements, (including bipartite and tripartite agreements arrived at all levels from time to time), and (ii) a proper and willing discharge by either party of its obligations consequent on such recognition.

The Central and State Governments, on their part, will arrange to examine and set right any shortcomings in the machinery they constitute for the administration of labour laws.

To ensure better discipline in industry

II. Management and Union(s) Agree

- (i) that no unilateral action should be taken in connection with any industrial matter and that disputes should be settled at appropriate level;
- (ii) that the existing machinery for settlement of disputes should be utilised with the utmost expedition;
- (iii) that there should be no strike or lock-out without notice;
- (iv) that affirming their faith in democratic principles, they bind themselves to settle all future differences, disputes and grievances by mutual negotiation, conciliation and voluntary arbitration;
- (v) that neither party will have recourse to (a) coercion, (b) intimidation, (c) victimisation, or (d) go-slow;
- (vi) that they will avoid (a) litigation, (b) sit-down and stay-in strikes, and (c) lock-outs;
- (vii) that they will promote constructive co-operation between their representatives at all levels and as between workers themselves and abide by the spirit of agreements mutually entered into;
- (viii) that they will establish upon a mutually agreed basis, a grievance procedure which will ensure a speedy and full investigation leading to settlement;
- (ix) that they will abide by various stages in the grievance procedure and take no arbitrary action which would by pass this procedure; and
- (x) that they will educate the management personnel and workers regarding their obligations to each other.

III. Management Agree

- (i) not to increase work-loads unless agreed upon or settled otherwise;
- (ii) not to support or encourage any unfair labour practice, such as, (a) interference with the right of employees to enrol or continue as union members, (b) discrimination, restraint or coercion against any employee because of recognised activity of trade unions, and (c) victimisation of any employee and abuse of authority in any form;
- (iii) to take prompt action for (a) settlement of grievances, and (b) implementation of settlements, awards, decisions and orders;
- (iv) to display in conspicuous places in the undertaking the provisions of this Code in local language(s);
- (v) to distinguish between actions justifying immediate discharge and those where discharge must be preceded by a warning, reprimand, suspension or some other form of disciplinary action and to arrange that all such disciplinary action should be subject to an appeal through normal grievance procedure;
- (vi) to take appropriate disciplinary action against its officers and members in cases where enquiries reveal that they were responsible for precipitate action by workers leading to indiscipline; and
- (vii) to recognise the union in accordance with the criteria (Annexure I) evolved at the 16th session of the Indian Labour Conference held in May, 1958.

IV. Union(s) Agree

- (i) not to engage in any form of physical duress;
- (ii) not to permit demonstrations which are not peaceful and not to permit rowdism in demonstration;
- (iii) that their members will not engage or cause other employees to engage in any union activity during working hours, unless as provided for by law, agreement or practice;
- (iv) to discourage unfair labour practices, such as, (a) negligence of duty, (b) careless operation, (c) damage to property, (d) interference with or disturbance to normal work, and (e) insubordination;
- (v) to take prompt action to implement awards, agreements, settlements and decisions;
- (vi) to display in conspicuous places in the union offices, the provisions of this Code in the local language(s); and
- (vii) to express disapproval and to take appropriate action against office-bearers and members for indulging in action against the spirit of this Code.

ANNEXURE

CRITERIA FOR RECOGNITION OF UNIONS

1. Where there is more than one union, a union claiming recognition should have been functioning for at least one year after registration. Where there is only one union, this condition would not apply.

2. The membership of the union should cover at least 15 per cent. of the workers in the establishment concerned. Membership would be counted only of those who had paid their subscriptions for at least three months during the period of six months immediately preceding the reckoning.

3. A union may claim to be recognised as a representative union for an industry in a local area if it has a membership of at least 25 per cent. of the workers of that industry in that area.

4. When a union has been recognised, there should be no change in its position for a period of two years.

5. Where there are several unions in an industry or establishment, the one with the largest membership should be recognised.

6. A representative union for an industry in an area should have the right to represent the workers in all the establishments in the industry, but if a union of workers in a particular establishment has a membership of 50 per cent. or more of the workers of that establishment it should have the right to deal with matters of purely local interest, such as, for instance, the handling of grievances pertaining to its own members. All other workers who are not members of that union might either operate through the representative union for the industry or seek redress directly.

7. In the case of trade union federations which are not affiliated to any of the four central organisations of labour, the question of recognition would have to be dealt with separately.

8. Only unions which observed the Code of Discipline would be entitled to recognition.

APPENDIX IX

Procedure for verification of membership of trade unions, evolved on the basis of decisions of the 18th Session of the Indian Labour Conference (Nainī Tal, May 1958)

The existing procedure of requesting the four all-India organisations (viz. INTUC, AITUC, UTUC and HMS) to furnish particulars of their claimed membership on or before 15 August every year will remain unchanged. The unions affiliated to these organisations are required to furnish the annual return to the Registrars on or before 31 July every year. The all-India organisations may therefore furnish the claimed lists (10 copies) by 15 August to the Chief Labour Commissioner.

2. A copy of the claims of membership submitted to the Chief Labour Commissioner by each of the all-India organisations will be made available to the other organisations in the third week of August. These four organisations will be given a fortnight's time to raise objections, if any, in writing with regard to the claims furnished by other organisations. Any objections received in this connection after the prescribed time-limit, i.e. 15 days will not be taken into consideration. The Chief Labour Commissioner will get these objections examined through the field officers of his machinery during the course of verification and they will be asked to make specific enquiries in respect of these objections.

3. In the meanwhile scrutiny will be made by the Chief Labour Commissioner of the claims furnished by the organisations to ensure that the claimed lists are furnished in the prescribed form, giving details in respect of registration and affiliation number. The total membership and the grouping of the trade unions in the various sub-heads will also be examined. The claimed lists along with the objections, as referred to above, will be sent to the various Regional Labour Commissioners for verification by the Third week of September. The Regional Labour Commissioners will complete the verification work within a period of eight weeks.

4. The verified lists will reach the Chief Labour Commissioner's office by the third week of November. The copies of the verified lists will then be furnished to the four all-India organisations in the first week of December. They will be again given a fortnight's time to raise objection in writing (6 copies), if any, in respect of verification results of the unions affiliated to their own organisation, as well as to the other organisations. Any objections received after the prescribed date will not be taken into consideration.

* 5. The objections received will be placed before a committee composed of one representative each of the four central trade union

organisations. This committee will meet in the first week of January and will be presided over by the Chief Labour Commissioner or his representative. All the objections raised will be taken into consideration by the committee and efforts will be made to resolve the disputes. In case any further investigation is considered necessary by this committee, Regional Labour Commissioners or their representatives will be asked to conduct spot inquiries in the presence of the representatives of the four all-India organisations who would form a panel in various localities for this purpose. Such panels will be set up in each State. Ordinarily a month's time should suffice for the Regional Labour Commissioners to submit their report in consultation with the panels. This report would, therefore, be expected to reach the office of the Chief Labour Commissioner in the second week of February.

6. After consolidating the reports referred to above the committee composed of the representatives of the four all-India organisations will again meet by the end of February to examine the reports received and to resolve the disputes with the help of the information received. Such of the disputes as this committee fails to resolve will be reported along with the necessary particulars to the Ministry of Labour and Employment in the first week of March. If considered necessary steps to refer to these disputes to an independent agency will be taken by the Ministry of Labour and Employment.

7. The C.L.C.'s office will compile and consolidate the verified figures leaving those under dispute as referred to in para 7 above and the verified information industry-wise/State-wise/organisation-wise would be furnished to the Ministry of Labour and Employment by the end of April.

II

A meeting with the representatives of all-India trade union organisations was held at 3 P.M. on 21 March 1959 to discuss certain issues arising out of the verification of trade union membership for the year ending 31 March 1958.

* *

A number of issues were taken up for discussion and it was unanimously decided as under:—

(1) As the present verification was being done on the basis of test check and random sampling, the results obtained through this general verification process, should be utilised only for purposes of giving representation to the central trade union organisations on the international and national councils, conferences and committees.

(2) As regards counting of membership of those who had paid at least 3 months' subscription during the period of six months ending 31 March 1958, it was decided that since this method of counting membership has so far been followed, the same should be continued for purposes of general verification for the year ending with 31 March 1958. As the unions would require some time to adjust to this system of counting membership and to amend their constitutions accordingly, their membership for purposes of verification for the year ending with 31 March 1959 should be counted on the basis of the unions' constitutions as was the practice in respect of verification prior to 1958, i.e. the rule regarding payment of at least 3

months' subscription during the last 6 months should not be insisted upon unless the same was incorporated in the unions' constitution.

(3) Where a dispute arises about strength of membership for recognition of individual unions, verification on an *ad hoc* basis will have to be carried out. The procedure of verification in such cases will be the same as that of general verification except that it will naturally be a detailed check. The machinery to be utilised for this purpose in the case of unions falling in the Central sphere will be the same, i.e. the Central Industrial Relations Machinery. In the case of unions falling in the State sphere, the same procedure may have to be followed and the State Government Machinery will be responsible for verification.

(4) If in any State, statutory provisions for according recognition to the trade unions exist, the same will continue to apply for purposes of recognition.

(5) As the results of general verification were to be utilised only for purposes of giving representation to the all-India organisations on international and national councils, conferences and committees, the elaborate procedure outlined in the revised verification procedure forwarded with this Ministry's letter No. LC-37(2)/58, dated 31 July 1958 will not be necessary. Objections received after circulating the verified lists amongst the four all-India organisations will be placed before a committee composed of one representative each of the four all-India organisations. This committee will try to resolve the disputes and if there are any unresolved matters, these will be referred by the Chief Labour Commissioner to the Ministry of Labour and Employment. Paragraphs 5 and 6 of the revised procedure referred to above will be deemed to be modified as follows:—

“Objections received will be placed before a committee composed of one representative each of the four central trade union organisations. This committee will meet under the chairmanship of the Chief Labour Commissioner or his representative. All the objections raised will be taken into consideration by the committee and efforts will be made to resolve the disputes. Such of the disputes as this committee fails to resolve will be reported along with the necessary particulars to the Ministry of Labour and Employment.*

*It was subsequently clarified that this provision would not preclude the reference of such unresolved disputes to an independent agency referred to in paragraph 6 of the procedure for verification and that it was the intention that disputes which the committee failed to resolve would be referred to an independent agency.

APPENDIX X

Conclusions of the Tripartite Committee on Works Committees

(New Delhi, 30 November 1959)

The Committee came to the following conclusions:—

1. *Functions of Works Committees*

It was agreed that it was not practicable to draw up an exhaustive list of the functions of Works Committees. There should be some flexibility of approach for the system to work properly. Illustrative lists of items which the Works Committee should normally deal with and those which it should not normally deal with were drawn up and approved (Annexure). It was agreed that the demarcation would not be rigid and the approved lists were flexible.

2. *Units in which the Works Committee should be formed*

It was agreed that no change was called for in the existing statutory provisions in the Industrial Disputes Act limiting the number of workmen to 100 for the purpose of the formation of a Works Committee.

3. *Composition of the Works Committee*

It was agreed that no change in the existing provisions of the Industrial Disputes Act or Rules regarding the number of members of the Works Committee was necessary. As regards the number of representatives it was felt that at times the management found it difficult to produce equal number of representatives as that of workers. But as, however, this was permissible even under the existing rules, no change therein was recommended.

4. *Composition of the Workers' side of the Works Committee*

(i) It was considered that the workers' representatives on the Works Committee should be elected by the workers without the constituencies being divided between workers who are members of a union and those who are not members of a union. The existing provisions regarding representation for different departments or sections should continue. As for election, the consensus of opinion was that ordinarily the employers should be responsible therefor but that where there is a dispute or an apprehended dispute or where either the employer or the workers make a specific request to the appropriate Government, a Conciliation Officer/Labour Officer deputed by that Government should supervise the election.

5. *Chairmanship of Works Committee*

It was agreed that the present provision in the Central Industrial Disputes Rules regarding the compulsory rotation of the office of the

Chairman between employers and workers should be removed. At the same time it was felt that the workers' representatives should not be barred from holding that office, if suitable persons were available from their side. It was agreed that for the next three years, the Chairman should be from the management side, who should, as far as possible, be the head of the organisation or factory. It was also decided that the position should be reviewed after three years.

6. *Periodicity of the meetings*

It was agreed that the present provision, i.e. having a meeting at least once in a quarter needed no change. Meetings should be held more frequently if necessary.

7. *Facilities to Works Committees' members*

It was agreed that the Secretary of the Works Committee should have the privilege of putting up notice regarding the work of the Works Committee on the notice board of the establishment.

8. *General*

The question was raised whether Works Committees should be established in commercial establishments also and not in factories only. It was pointed out that according to the existing provisions in the Act, commercial establishments might form the Works Committees whenever required.



ANNEXURE

I. *Illustrative list of items which Works Committees will normally deal with*

1. Conditions of work such as ventilation, lighting, temperature and sanitation including latrines and urinals.
2. Amenities such as drinking water, canteens, dining rooms, creches, rest rooms, medical and health services.
3. Safety and accident prevention, occupational diseases and protective equipment.
4. Adjustment of festival and national holidays.
5. Administration of welfare and fine funds.
6. Educational and recreational activities, such as, libraries, reading rooms, cinema shows, sports, games, picnic parties, community welfare and celebrations.
7. Promotion of thrift and savings.
8. Implementation and review of decisions arrived at meetings of Works Committees.

II. *List of items which the Works Committees will not normally deal with*

1. Wages and allowances.
2. Bonus and profit sharing schemes.
3. Rationalisation and matters connected with the fixation of workload.
4. Matters connected with the fixation of standard labour force.
5. Programmes of planning and development.
6. Matters connected with retrenchment and lay-off.
7. Victimisation for trade union activities.
8. Provident fund, gratuity schemes and other retiring benefits.
9. Quantum of leave and national and festival holidays.
10. Incentive schemes.
11. Housing and transport services.

APPENDIX XI

MODEL AGREEMENT REGARDING ESTABLISHMENT OF JOINT COUNCILS OF MANAGEMENT

Agreement between

..... (Name of employer)

and

..... (Name/Names of Trade Union/Unions)

1. The Company and the Union appreciate that an increasing measure of association of employees with the management of the works would be desirable and would help (a) in promoting increased productivity for the general benefit of the enterprise, the employees and the country, (b) in giving employees a better understanding of their role and importance in the working of the industry and in the process of production, and (c) in satisfying the urge for self-expression.

2. It is, therefore, agreed that a Council/Councils of Management consisting of representatives of the management and of the employees be set up.

3. The constitution of this Council/these Councils and the procedure to be followed by it/them would be as set out in the Annexure.

4. It would be the endeavour of the Council/Councils (i) to improve the working and living conditions of the employees, (ii) to improve productivity, (iii) to encourage suggestions from the employees, (iv) to assist in the administration of laws and agreements, (v) to serve generally as an authentic channel of communication between the management and the employees, and (vi) to create in the employees a live sense of participation.

5. The Council/Councils would be consulted by the management on matters like:—

- (i) general administration of Standing Orders and their amendment, when needed;
- (ii) introduction of new methods of production and manufacture involving re-deployment of men and machinery; and
- (iii) closure, reduction in or cessation of operations.

6. The Council/Councils would also have the right to receive information, discuss and give suggestions on:—

- (i) general economic situation of the concern;
- (ii) the state of the market, production and sales programmes;

- (iii) organisation and general running of the undertaking;
- (iv) circumstances affecting the economic position of the undertaking;
- (v) methods of manufacture and work;
- (vi) the annual balance sheet and profit and loss statement and connected documents and explanation;
- (vii) long term plans for expansion, re-deployment, etc. and
- (viii) such other matters as may be agreed to.

7. The Council/Councils would be entrusted with responsibility in respect of:—

- (i) administration of welfare measures;
- (ii) supervision of safety measures;
- (iii) operation of vocational training and apprenticeship schemes;
- (iv) preparation of schedules of working hours and breaks and of holidays;
- (v) payment of rewards for valuable suggestions received from the employees; and
- (vi) any other matter as may be agreed to by the Joint Council.

8. All matters, e.g. wages, bonus, etc. which are subjects for collective bargaining are excluded from the scope of the Council/Councils. Individual grievances are also excluded from its/their scope. In short, creation of new rights as between employers and workers should be outside the jurisdiction of the Joint Council.



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APPENDIX XII

Report of the Industrial Housing Sub-Committee of the Standing Labour Committee (Extracts).

Terms of Reference

This Sub-Committee was appointed at the seventh meeting of the Standing Labour Committee held on 28 August 1945 to consider the following matters relating to the housing of workers:—

- “(i) whether there should be a building fund for the housing of workers and the manner in which it can best be raised, and in particular the manner in which the cases of those employers who have already provided housing can be dealt with;
- (ii) the basis on which the workers can be required to pay rent;
- (iii) the minimum standards required for workers' houses;
- (iv) the most suitable manner of administering any funds which may become available (whether from Government, employer or worker) for the housing of workers; and
- (v) the facilities that are required to be granted by the Central and Provincial Governments and local authorities to facilitate the housing schemes of workers”.

2. The appalling conditions under which the industrial worker is forced to live is common knowledge and since the problem has already been examined by different commissions and inquiry committees it seemed to us unnecessary to devote any more time to the collection of data. After consideration of our terms of reference we decided that the whole question could be most conveniently examined under three separate heads—

- (1) The minimum housing standards necessary—covering item (iii).
- (2) The basis on which to charge rent—covering item (ii).
- (3) The need for a fund, and the ways and means for implementing, financing and administering housing schemes resulting from our recommendations—covering items (i), (iv) and (v).

Summary of Recommendations.

.....We make the following recommendations in answer to the specific questions referred to us by the Standing Labour Committee:—

- (a) (i) There should be a Building Fund provided to finance the housing of workers who are unable to pay an

economic rent for the minimum standard of housing laid down.

- (ii) The Fund could best be raised as follows:—Government (Central and/or Provincial) should make available long term interest free loans for housing built to approved standards, and such loans should be redeemed by the building authority by means of a sinking fund spread over a period of not less than 30 years.
- (iii) No question arises in the case of those employers who have already provided housing for their labour until accommodation to the extent of 100 per cent. of the demand is provided for industrial workers in any areas. Provided that if any special form of direct taxation on industry is introduced by Government, such taxation should include provision for rebates to employers in respect of any existing housing which though not complying with the prescribed standards may be approved by the building authority under such conditions as they may prescribe.
- (b) The Committee were unable to arrive at any agreed decision as to the basis on which workers can be required to pay rent.
- (c) The minimum standards we recommend for workers' houses are set out in (Annexure).
- (d) The Housing Fund, and, in the first instance, the Housing Subsidy we have recommended, should be administered by a National Industrial Housing Board, including representatives of the Provinces, the Centre, the States, employers, labour and other interested parties. This Board should have a whole-time Chairman who, while responsible to the Central Government, should have the maximum liberty of action possible. In addition to the National Industrial Housing Board, Regional Industrial Housing Boards representing Provincial Governments, the States, local authorities, employers, labour and other interested parties, should be set up to co-ordinate regional schemes before they are submitted to the National Industrial Housing Board.
- (e) (i) To enable a start to be made with a nation-wide housing of our poor workers we recommend that Provincial and Central Governments between them provide the necessary finance by making available long-term interest free loans for approved schemes complying with the minimum standards we have recommended. In addition to the provision by Government of interest-free loans, we recommend that employers be asked to pay a sum of Rs. 2 per month per house for every house allotted to them. Any deficit that may remain over and above that covered by employers' contribution and the interest-free loan should be met by a further subsidy raised by some form of general taxation.

- (ii) To ensure that houses are constructed as cheaply and as efficiently as possible it is essential for the Central and Provincial Governments to co-ordinate their building programmes through the National Industrial Housing Board, and to ensure that the requirements of raw materials for the various Provincial housing schemes all over the country are co-ordinated by the Board and bulk orders at controlled rates placed by the Board for these materials. Government should also take every step possible to encourage and develop mass production methods.
- (iii) Provincial and Local Authorities should be responsible for making available properly developed sites for approved housing schemes. Local Authorities, and where a large new township is being set up the township itself, should be responsible for the provision of all the amenities we have recommended and for the conservancy services.

G. PEACE,
Chairman.



Annexure

1. A house to accommodate an industrial worker and his family should comprise at least—

two rooms, a kitchen with storage space for food and fuel, an independent bath room, a lavatory, verandahs, preferably both in front and at the back, and a courtyard in the case of single storey houses,

and be provided with an adequate supply of water and where possible with water borne sanitation.

2. *Standard of accommodation—*

(a) The total floor area of the two main rooms exclusive of verandahs, should not be less than 240 sq. ft.

(b) The height of the two main rooms should not be less than 10 ft. measured from the floor to the lowest part of the ceiling, and neither of the two main rooms should have a cubic capacity of less than 1,000 c.ft.

(c) At least one verandah, and preferably both, should be not less than 7 feet wide.

(d) Shelves should be provided in the kitchen for keeping utensils and built-in shelves or almirahs provided in the main rooms.

3. *Standard of ventilation—*

(a) An efficient form of top ventilation should be provided.

(b) The main rooms should be provided with doors and windows providing adequate light and through-ventilation.

(c) It is most desirable that houses be so designed that the two main rooms are not one behind the other. Where this is not possible, ample ventilation to the outside air should be provided in both rooms.

(d) The kitchen should be provided with a chimney or a flue and a well designed *chulah* economical in fuel.

4. *Standard of lighting—*

(a) The window opening in each of the main rooms and in the kitchen, exclusive of doors and opening to the outside air, should not be less than 10 per cent. of the floor area of the room.

(b) Electric light should be provided wherever possible.

(c) Every house should be white-washed at least once a year.

5. *Sanitation and drainage—*

(a) A family lavatory, not a common lavatory, is to be preferred on all grounds, social and hygienic.....

(b) All drains other than sullage drains, which must be installed under-ground, should be "pucca" and, unless there are exceptional circumstances justifying some other course, covered and under-ground.

6. (a) Houses should not be built back-to-back and it is most desirable that blocks of houses be limited in size, and wherever possible laid out on the lines of a garden city.

(b) Houses should be allocated on the basis of one family to one house. Any family houses remaining surplus after meeting fully the requirements of married workers may be allotted to single workers on the basis of four workers to a house.

(c) Provision against subletting and taking in boarders should be made by formulating suitable tenancy conditions and providing adequate machinery for their enforcement.

7. *Dormitories—*

The Committee recognise that dormitories may be necessary and even desirable in some cases. Where provided they should conform to the general principles of planning we have recommended above, and the sleeping space for each person should not be less than 50 sq. ft., this space being in addition to the provision of common dining rooms, baths, lavatories, etc. Dormitory accommodation should not be let to families or to persons of different sexes.

8. *"Neighbourhood unit"—*

In open development where a large number of houses are proposed to be constructed it is most desirable that the housing estate should be planned as a self-contained community or a "neighbourhood". Each neighbourhood unit should be built round a civic centre providing adequate public amenities, such as play-grounds, schools, libraries, crèches, a hospital and a shopping centre, depending upon its size. Community cattle sheds should also be provided where there is a demand for them.

9. *Undesirability of segregation of working classes—*

It is socially and psychologically undesirable to build a large housing estate entirely for one class of the population, and it is essential for proper social progress and for a proper and full civic life that provisions be made for all types and classes. . . .

10. *Population density—*

In order to ensure the healthy development of a housing estate it is necessary to have proper safeguards against over-crowding, and we recommend that in the areas set aside for workers' dwellings the maximum number of houses to be built should be limited to 20 in any one acre. This number or housing density, should be calculated by including in the area the curtilages of the dwellings, access roads and minor open spaces and half the boundary roads up to a maximum of 15 ft. . . . We further recommend that the overall or gross density of the neighbourhood as a whole, including the areas to be developed for sale to private persons, should be limited to 10—12 houses per acre. . . .

11. Multi-storeyed buildings—

The Committee went into the question of vertical construction in great detail and, while there were no two opinions as regards the desirability of single storey buildings, the more general view was that it might be necessary to provide multi-storeyed buildings in certain areas for the following reasons:—

- (a) insufficient land available within reasonable transport range;
- (b) excessive cost of land;
- (c) cost of development and the limits to which an economic supply of sewerage and water could be given;
- (d) the volume of housing in that particular locality. . . .

12. Notwithstanding the general recommendation made above, the Committee wish to record that some of its members hold very strong views on this question. They consider that the provision of multi-storeyed houses for the lower paid classes of industrial workers is most undesirable and where provided will only reproduce the slum they are designed to replace. . . .

13. Transport—

Adequate and cheap transport facilities should be provided as a public utility for the workers to and from their place of work as part of every housing scheme.

14. Management and welfare—

We consider it of the first importance that adequate provision should be made by the local authorities concerned for well trained and paid welfare and management staff in connection with every new housing project and that compliance with this provision should be made a condition of the grant of a subsidy. . . .

15. Costs—

In proposing a minimum standard of housing the Committee has not over-looked the fact that the greatest difficulty in implementing the scheme is the present high cost of construction. Figures of Rs. 3,500 to Rs. 5,000 have been mentioned as the estimated cost of a house of the proposed standard. The country cannot afford this price for its working class housing. The rationalisation of the design and construction of the working class houses by the use of more modern methods and by the mass production of standardised parts and fittings to as large an extent as possible will probably result in an overall reduction in the cost of construction.*

*One of the members (Shri Shri Ram) had reservations on paras 9, 10, 11 and 15. Another member (Shri Edward Souter) had reservations with regard to paras 10 and 11 and a third (Shri W. H. Prosser) with regard to para 12. Separate notes from the first two were appended to the Report.

APPENDIX XIII

Proposals on Labour Policy for inclusion in the Third Five Year Plan as approved by the Standing Labour Committee at its 18th Session

I. Approach to Industrial Relations

(1) It was considered that strong trade unions, and enlightened employers and minimum intervention by Government constitute the basic elements of sound industrial relations.

(2) The policy as laid down in the Second Five Year Plan which leaves adequate scope for the parties to come together on their own initiative for settlement of their differences and empowers Government to refer disputes to adjudication in the event of a break-down, requires to be somewhat modified. The modification should envisage (a) strengthening the current emphasis on reaching bipartite agreements and tripartite conventions like the Code of Discipline on a voluntary basis and extending their coverage to both the public and private sectors, and (b) more intensive efforts at securing agreement for reference of disputes to voluntary arbitration.

(3) The principles of voluntary arbitration agreed to at the 17th Session of the Indian Labour Conference (Madras, July, 1959) were reiterated. While noting the possible difficulties in operating these principles, the Committee recommended the following measures to secure increased recourse to voluntary arbitration:—

- (i) Voluntary arbitration in its present form does not bind workers who do not belong to a trade union which enters into an agreement with the employer. There should be an amendment of the relevant Act which will provide that the decisions reached in voluntary arbitration should have the same status as awards of Industrial Tribunals. Specifically, these decisions should be binding on all employees, irrespective of whether they belong to the union or not. In this connection, the implications of the recent Supreme Court decision require to be examined while framing the proposed legislation.
- (ii) There are certain restraints placed on the parties under the Industrial Disputes Act, 1947 when a dispute is referred to a Tribunal. These should also apply to the parties if they take recourse to voluntary arbitration.
- (iii) The Central and State Governments should prepare in consultation with the employers' and workers' organisations, lists of suitable persons who would accept the responsibility of acting as arbitrators. These lists should be compiled on a regional and industry-wise basis. The

persons included in the lists should be such as would inspire confidence of the parties. It would, however, be open to parties to select an arbitrator out of these lists or even outside these lists.

- (iv) The question whether persons who accept the responsibility to act as arbitrators should be paid or not, needed further consideration.
- (v) Recognition of trade unions on the part of employers is a necessary prerequisite for the success of voluntary arbitration. While welcoming the progress made in this matter through the Code of Discipline, the Committee recognised the need to intensify efforts to secure a better working of the existing voluntary arrangements concerning recognition of unions.
- (vi) The workers' representatives suggested that (a) representative of labour should have access to all information and records relevant to the dispute, (b) expenses incurred by both the parties in connection with an industrial dispute should be borne by the Industry, and (c) there should be nationalisation of audit for undertakings in the private sector. The employers' representatives did not, however, accept these suggestions and agreed to inform Government of their reasons for non-acceptance.

II. Industrial Relations Machinery

- (1) The Machinery for Industrial Relations should consist of—

- (a) Conciliation Officers,
- (b) Arbitrators (Voluntary); and
- (c) Industrial Tribunals.

(2) Some criticism was voiced by workers' representatives regarding the functioning of the conciliation machinery, particularly in regard to (a) delays, (b) calibre of conciliation officers, (c) reluctance of employers to lay their cards on the table, and (d) employers' tendency to send junior officers in their employ for conciliation proceedings with inadequate powers for entering into a settlement. Employers' representatives, however, did not accept the criticism implied in (c) and (d). As regards the difficulties referred to in (a) and (b), the Committee felt that (i) the calibre of the conciliation officers needed improvement, (ii) there should be a provision for training-on-the-job as well as refresher training for conciliation officers, and (iii) adequate strengthening of the conciliation machinery was necessary.

(3) Another difficulty experienced in conciliation was the absence of 'norms' for settling disputes. Over the last 10 years, sufficient judicial and other pronouncements have been made on industrial matters which will enable the evolving of such norms by tripartite committees as has been done in some States. This is a task to which Governments at the Centre and in the States should address themselves.

(4) At present conciliation proceedings do not start unless there is a threat of strike. This association between threat to strike and conciliation requires to be removed in the interest of better

functioning of the machinery. Conciliation in all cases should commence as soon as a dispute is referred to the officer concerned by either of the parties.

(5) The adjudication machinery should be used sparingly in accordance with the principles agreed to at the 17th Session of the Indian Labour Conference.

(6) The question of creation of a special cadre for industrial judges should be considered to secure higher status for judges appointed on Tribunals.

(7) Opinion was divided whether the Labour Appellate Tribunal should be revived at this stage or not.

(8) Workers' representatives urged that the enforcement Tribunal envisaged in paragraph 15 of the Chapter on Labour Policy and Programme in the Second Five Year Plan, should be set up.

(9) Workers' representatives pointed out that in some cases retired judges of industrial tribunals secured employment with employers and stressed that this should be discouraged. Employers' representatives said that such instances were extremely rare.

(10) The Committee also felt that there was need to provide for a Mediation Service for dealing with disputes in the early stages. The mediators could be brought in at a stage before a dispute comes to the surface and could be approached by employers and workers informally in any situation which may lead to a dispute.

III. Trade Unions

It was recognised that the conditions for the success of any industrial society were the existence of strong and healthy organisations of workers and employers. It was suggested that Government should consider the question of implementing the recommendation made in the Second Five Year Plan concerning certification of employers' associations as representatives of the industry in an area, where these associations seek such certification. In addition, the following steps for improvement in the trade unions were suggested while reiterating the recommendations made in this regard in the Second Five Year Plan. These were:—

- (1) The election of collective bargaining agent was not favoured; nor was the consensus of opinion in favour of any attempts being made for the present, to enlist in trade unions through systems comparable to 'union shop', persons who did not desire to join the union.
- (2) The Present position in the Code of Discipline in securing recognition on a voluntary basis should be given a further trial before changes are made in favour of legislation.
- (3) Workers' representatives urged that special leave and other facilities should be given to employees for appearing before the industrial relations machinery and courts. The employers' representatives pointed out that reasonable facilities were already being given in such cases.

IV. Rationalisation

While the policy on rationalisation outlined in the Second Five Year Plan and endorsed at the 15th Session of the Indian Labour Conference (New Delhi, July, 1957) was reiterated, it was suggested that Technical Committees should be set up at the Centre as well as in the States to ensure that rationalisation schemes were sound and were implemented according to agreed principles.

V. Wages

(i) Workers' representatives made a reference to the comments made by the Pay Commission concerning the norms for fixation of minimum wages, evolved at the 15th Session of the Indian Labour Conference (New Delhi—July, 1957). A suggestion was made that the policy enunciated by the said Conference regarding the need-based minimum wage, should be embodied in the Third Five Year Plan. While noting the difficulties that stood in the way of full implementation at this stage of the norms recommended by the Conference, the Chairman suggested and the Committee agreed with the suggestion, that the question of nutritional requirements for a worker and his family and the composition of the diet which is to provide the requisite nutrition, needed further examination at the technical level.

(ii) A point was made that wage differentials between skilled and unskilled workers had narrowed down. While reduction of wide disparities in wages was a desirable objective, the question required to be considered from the point of view of the need for adequate incentives also.

(iii) Referring to the policy set out in the Second Five Year Plan that the aim of wage policy should be to evolve a wage structure with rising real wages, workers' representatives pointed out that, compared to the year 1947, real earnings of the workers had come down in the case of the skilled workers. It was felt that the matter required detailed examination.

(iv) It was urged that steps should be taken to ensure a more effective enforcement of the 'Fair Wage Clause' to protect the interests of the workers concerned in the construction industry.

(v) It was suggested that Government should consider the question of adding to the schedule to the Minimum Wages Act, other employments where working conditions were bad and the workers needed statutory protection.

(vi) A point was made that, whereas production had increased in recent years, real wages had not kept pace and that it was necessary that wages should rise with productivity. The existing knowledge in regard to (a) techniques for measurement of productivity, and (b) norms on the basis of which gains of productivity should be shared, was not adequate. It was, therefore, suggested that productivity studies should be undertaken in some selected industries to evolve such techniques, norms, etc. Securing of suitable technical assistance under the I.L.O. Technical Assistance

Programme may also be explored in this connection. The programme of Productivity Studies should be drawn up in consultation with the National Productivity Council and a small Steering Committee, with which workers' and employers' representatives were to be associated, should be set up to deal with matters connected with the proposed studies.

(vii) Criteria should be evolved for ascertaining an industry's capacity to pay.

(viii) The employers' representatives suggested that bonus which was an uncertain element in the wage cost, should be done away with. After some discussion, it was agreed that the question was one of evolving some suitable norms so that the uncertainty associated with it was minimised. It was agreed that for this purpose a Bonus Commission which should go into the question and evolve some suitable norms, should be appointed. The other terms of reference of the proposed Commission should be decided by a small Tripartite Sub-Committee which should be set up for the purpose.

(ix) A number of Wage Boards had been set up in recent years and more were likely to be appointed soon. Some of the problems which the existing Wage Boards had to tackle were likely to be faced by Wage Boards which will be appointed in future. There was need to have co-ordination whereby the experience already gained and the essential data (which could be compiled in advance) could be made available to these Wage Boards.

VI. Two general points mainly concerning employment but having a bearing on wages were also mentioned. These were (i) settlement of landless labour on lands available for distribution, and (ii) provision of additional employment opportunities to workers engaged in seasonal and casual employment.

VII. Worker Participation in Management

Worker Participation in Management scheme which has been operating successfully in some selected units, should be extended to as many establishments as possible. To intensify the drive for extension of the scheme, the existing arrangements at the Centre should be strengthened. Suitable machinery should also be created at the State level for this purpose.

VIII. Workers' Education

While it was agreed that the programme of workers' education should be intensified in the Third Five Year Plan, workers' representatives felt that apart from the current activity undertaken by the Central Board of Workers' Education, there was need for diversifying the workers' education programme and associating workers' representatives with it at various levels. Trade Unions could play an important role in this field. In considering such diversification, the Board should explore how far, in some of these diversified programmes, more effective use could be made of workers' organisations with suitable assistance from the Board.

Some of the workers' representatives pointed out that the question of management training in labour matters should also receive increasing attention.

IX. Social Security

(i) The consensus of opinion was in favour of the proposal made in the Memorandum that the integrated social security scheme, recommended by the Study Group, should be implemented during the Third Five Year Plan, subject to such modifications as might become necessary as a result of consultations with the workers' and employers' organisations.

(ii) The Employers' representatives made a reference to the proposal concerning enhancement of the rate of contribution to the provident fund from 6 1/4 to 8 1/3 per cent. After some discussion, it was agreed that a Technical Committee which should recommend the industries where the proposed enhanced rate of contribution could be introduced straightaway should be appointed. To begin with, the Technical Committee should undertake investigations in respect of the following 4 of the six industries initially covered under the Employees' Provident Fund Act, 1952:—

1. Cigarettes
2. Paper
3. Iron and Steel
4. Electrical, mechanical or general engineering products

(iii) It was suggested that 'Family Planning' should be increasingly brought within the scope of the programmes under the Employees' State Insurance Scheme.

(iv) The workers' representatives suggested that while considering the question of implementation of the integrated social security scheme, recommended by the Study Group on Social Security, Government should also examine the question of introducing schemes relating to compulsory life insurance for industrial workers. The question of permitting workers to finance life insurance policies from the Fund under the Integrated Scheme should also be examined.

(v) The coverage of the Employees' Provident Fund Scheme should be extended to commercial establishments also.

X. Working Conditions

(i) Steps should be taken to ensure effective implementation of the existing statutory provisions concerning working conditions.

(ii) The Committee noted with concern that the rate of accidents has been on the increase during the last few years. It was urged that greater attention should be paid to the problem of safety, and workers and employers should extend their full co-operation in any programme intended to promote greater safety. There was need to study the problem in detail with a view to improving safety devices and promoting greater safety. It was suggested that relevant data regarding all aspects of safety should be collected, and analysed and the whole subject of safety discussed in a comprehensive manner in a Safety Conference which should be convened for

the purpose. The proposed Conference should cover all industries/occupations other than mines.

(iii) While there was general agreement on the point that the system of contract labour should be abolished progressively, it was recognised that it may not be possible to do away with the system completely. It was urged that steps should be taken to implement the various recommendations made in the Second Five Year Plan regarding gradual abolition of contract labour, wherever feasible, securing for such labour, conditions and protection enjoyed by other workers, etc. Other suggestions made were (a) the programme of studies being undertaken, pursuant to the recommendation made in the Second Five Year Plan, to ascertain the extent and nature of the problem of contract labour, should cover coal mines and plantations also, (b) workers' and employers' representatives should, as far as possible, be associated with these studies, and (c) agencies like co-operatives should be encouraged to take up functions of contractors. Such co-operatives were functioning in a number of States. It was suggested that a study should be made of the experience gained in the working of such co-operatives with a view to eliminating possible malpractices in the functioning of these co-operatives.

XI. Industrial Housing

While noting the steps taken recently by Government by way of liberalising the procedures and the terms of assistance under the Industrial Housing Scheme, the Committee felt that the progress of the scheme so far had not been quite satisfactory and urged that steps should be taken to ensure speedy progress in future. The specific suggestions made in this connection were—

- (i) the existing legislation in different States relating to land acquisition should be suitably amended, wherever not already done, with a view to eliminating procedural delays in acquisition of land, etc.
- (ii) the administration of the Departments of Co-operation in the States should be improved with a view to ensuring speedy progress so far as co-operative housing schemes are concerned.
- (iii) there was need to study the problem of Industrial Housing in detail with a view to formulating steps for ensuring better progress of the Industrial Housing Scheme. It was suggested that relevant material relating to the various aspects of industrial housing should be collected and the views of the State Governments on how further progress can be made in the field of housing, obtained. Thereafter the whole subject of Industrial Housing should be discussed in a comprehensive manner at the next session of the Indian Labour Conference.

XII. Labour Research

The organisations agreed to send their proposals concerning the programme for Labour Research during the Third Five Year Plan period.

APPENDIX XIV

Procedure for Verification of Membership of Unions for the Purpose of Recognition under the Code of Discipline*

(1) On receipt of a representation from a union for recognition under the Code of Discipline, the Central/State Implementation Machinery will first ascertain:

- (a) the names of unions functioning in the establishment together with their number and date of registration by reference to the Registrar of Trade Unions concerned;
- (b) whether any of the unions functioning in the establishment was responsible for an established breach of the Code during the past one year. (By an 'established breach of the Code' is meant a breach reported to and on enquiry established by the Implementation Machinery of the State or the Centre);
- (c) whether the existing recognised union, if any, has completed a period of two years of recognition.

(2) After ascertaining the above facts, the Implementation Machinery at the Centre will request the Chief Labour Commissioner to arrange verification of membership of unions entitled to recognition under the Code. In the States, either the Implementation Officer will carry out this verification or get it done through the State Labour Commissioner, depending on the practice obtaining in each State.

(3) The verification officer will ask the unions by registered post/A.D. to produce before him within 10 days, at the stipulated place and time, a list of their members who have paid subscription for at least 3 months during the period of six months immediately preceding the date of reckoning along with (i) membership-cum-subscription register, (ii) receipt counterfoils, (iii) cash and account books, (iv) bank books, and (v) a copy of the constitution of the union. If the number of members of a union is more than 10,000 a longer time on the basis of one additional day for every 2,000 members over 10,000, should be given for submission of its list of members and records.

If any of the unions fails to produce the list of its members and records, a second and final notice will be given by registered post/A.D. asking it to produce them within 10 days or a longer period as mentioned above, if the membership of the union exceed 10,000 at the stipulated place and time. If the union fails to produce the

*This procedure will not be applicable in the States where recognition of unions is regulated by a Statute.

list and records on the second occasion also no further attempt will be made to verify its membership. However, in respect of the union which has submitted its list and records, the verification officer will examine them and report its membership without inviting objections from the rival union, i.e. the defaulting union, and without doing any personal verification as mentioned in para (7) below. If more than one union produces its lists and records, the verification officer will check their membership in the manner described below ignoring the union which fails to produce its records.

(4) The date of reckoning, mentioned in para (3) above will be taken as the first of the month in which verification begins, i.e. when the verification officer asks the unions to submit their lists and books for scrutiny.

(5) The verification officer will then check the list of members with the membership register and receipt counterfoils and exclude those who have not paid 3 months' subscription during the period of six months preceding the date of reckoning. This examination will be 100 per cent and will be done in the presence of the office bearers of the union concerned but not in the presence of the office bearers or representatives of the rival union. If the union objects to the elimination of any member from its membership register, it will have to give full and valid reasons for such an objection. The verification officer will then re-check the records (i.e. membership register, receipt books, etc.) to ascertain the correct position. The verification officer will scrutinise carefully the cash and accounts books as well as the bank book maintained by a union to ascertain that the amount of subscription shown to have been received has been properly accounted for and that the amounts received as subscription are not incompatible with the total number of persons shown in the register and the list furnished by the union. The verification officer will also ensure that only those workers are included in the lists of the unions who were on the Muster Roll of the management on the date of reckoning.

(6) The verification officer will thereafter intimate, in writing, to the unions concerned that the verified lists of their respective members are ready for inspection by the union representatives at an appointed time and place. The union will also at the same time be informed that after inspection of the verified list of members of the rival union(s), they should send, in writing, their specific objections, if any, to the entries in these lists, within 10 days [or a longer period if the number of objections is likely to exceed 10,000 on the basis of one additional day for every 2,000 objections over and above 10,000] on the date of inspection. It should be made clear to the unions that general and vague objections like inflated membership, etc., will not be considered; the objections should give names of persons whose membership of a union is objected to and the reasons therefor.

[The union representatives will be allowed to make notes from the verified lists shown to them in the presence of the verification officer; they will, however, not be allowed to take any of the lists, nor a copy of the lists will be given to them.]

(7) The objections received from the unions will then be verified by personal interrogation, by the verification officer, of the members on the basis of the following systematic* sampling system:—

- (i) if the objection list furnished by a union consists of 500 or less names of members, the number of persons to be personally interrogated should be 20 per cent. subject to a minimum of 100;
- (ii) if the objection list furnished by a union consists of more than 500 but not more than 1,000 names, the number of persons to be personally interrogated should be 15 per cent. subject to a minimum of 100;
- (iii) if the objection list furnished by a union consists of more than 1,000 but not more than 2,000 names, the number of persons to be personally interrogated should be 10 per cent. subject to a minimum of 150;
- (iv) if the objection list furnished by a union consists of more than 2,000 but not more than 5,000 names, the number of persons to be personally interrogated should be 5 per cent. subject to a minimum of 200; and
- (v) if the objection list furnished by a union consists of more than 5,000 names, the number of persons to be personally interrogated should be 2 per cent. subject to a minimum of 250.

The persons selected for personal interrogation should among other things be asked whether they are members of a particular union and whether they had paid subscriptions for three months within a period of six months from the date of reckoning and if so, the amount of subscription paid, the months for which it was paid, etc. The verification officer will maintain a list of members personally interrogated, giving their ticket numbers, names of section where working, the result of personal interrogation, etc.

(8) Where the sample check reveals that certain members interrogated deny membership of a union, its list of members will be modified proportionately. For example, if on checking records, it is found that a union has 2,000 valid members and the rival union objects to, say, 800 of these members, a 15 per cent. sample of the

*A systematic sample means sampling from a list by taking individuals at equally spaced intervals called sampling intervals. The sampling interval should be:

$$\frac{\text{total number of persons in the objection list}}{\text{number of persons in the sample}}$$

Thus, for example, if there are 400 workers in the objection list and a sample of 100 workers is to be selected, the verification officer should select every (400/100th) or 4th worker in the list. It is however, not necessary that in all cases the selection should begin from the 4th name in the list; the first sample may be either the 1st name in the list, or the second, or the third or the fourth. Thus, for example, if the first name is selected as the first sample then subsequent samples will be 5th, 9th, 13th etc., names; if, however, the second name is taken as the first sample, the subsequent samples would be 6th, 10th, 14th, etc., names in the list.

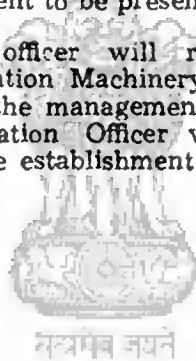
latter has to be drawn, i.e. 120 persons have to be interrogated personally. If on personal interrogation it is found that 30 of the 120 persons (i.e. 25 per cent.) deny membership of the union, the strength of the union will be reduced by 25 per cent. or 800 persons whose membership was objected to, i.e. by 200. In other words, the final strength of the union will, in this case, be 1,800:

$$[2,000-(25 \text{ per cent. of } 800)=1,800]$$

If the persons who, on interrogation, deny their membership of the union claiming them as their members, inform the verification officer that they are members of a rival union, the verification officer will check their membership with the list of members and records of that union and adjust its list accordingly, i.e., their names will be added to the list of the rival union if they are not already included in it, and excluded, in the manner mentioned above, from the list of the claimant union.

(9) While conducting personal verification as mentioned in para (7) above, the verification officer will not allow the representatives of any union or management to be present.

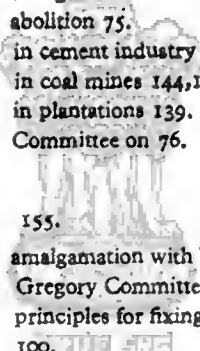
(10) The verification officer will report his findings to the Central/State Implementation Machinery which in turn will communicate its decision to the management as well as to the unions. In his report the Verification Officer will also indicate the total number of workers in the establishment and the percentage of the verified membership to it.



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